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DEMOCRATIC CAMPAIGN BOOK

CONGRESSIONAL ELECTION

1906

**“Equal rights to all, special privileges
to none”**

ISSUED BY AUTHORITY OF THE

**DEMOCRATIC CONGRESSIONAL
COMMITTEE**

WASHINGTON HEADQUARTERS

Munsey Building, Washington, D. C.

CHICAGO HEADQUARTERS

Palmer House, Chicago, Illinois

PRICE, 25 CENTS



EXPORT PRICES OF SEWING MACHINES.

(Reproduced from Exporters' and Importers' Journal of May 17, 1902, published by Henry W. Peabody & Co., of New York, for circulation in foreign countries only.)

SEWING MACHINES.

"Domestic" Sewing Machines.

(New Domestic Sewing Machine Co.)

High Award—The Gold Medal, Pan-American Exposition.

Highest Grade High Arm Foot Machine.

No. 1 Machine, each..	\$14 40	*No. 4 Machine, each..	\$19 00
No. 1 1/2 " " ..	15 10	*No. 7 " " ..	21 80
*No. 2 " " ..	15 80	*No. 8 " " ..	19 00
*No. 2 1/2 " " ..	16 30	Desk Cabinet " ..	34 00
*No. 3 " " ..	17 20		

Discount. Machines for Mexico, Central and South America and the West Indies, **No. 624**; for the Australasian Colonies, Africa, British East Indies, Japan, Philippine Islands and China, **No. 50**.

NOTE—Walnut wood is used on all machines, but those with * can also be had in oak if **so ordered**.

Coronet Sewing Machines.

(Made by the Davis Sewing Machine Co.)

Style.

No. 1, plain table, without cover, 1 drawer.	Price each.	\$7 70
No. 2, plain table with cover, 1 drawer.	Price each. . . .	8 60
No. 3, end leaf table with cover, 1 drawer.	Price each. . .	8 80
No. 37, end leaf table with cover, 3 drawers.	Price each. . .	9 10
No. 38, end leaf table with cover, 5 drawers.	Price each. . .	9 65
No. 39, end leaf table with cover, 7 drawers.	Price each. . .	10 20
No. 37, drop head, 3 drawers.	Price each.	9 65
No. 38, drop head, 5 drawers.	Price each.	10 20
Hand Machine, iron base.	Price each.	4 50
Hand Machine, wood base.	Price each.	4 90
Hand Machine, wood base and cover.	Price each.	6 10

For Hand machines, without attachments, 15 cents less.

Discount No. 79.

The "Price Current Discount Sheet" of May 17, 1902, gives discount number 624 as "8%," number 50 "on application," and number 79 "net." This makes the export price of the New Domestic No. 1, \$13.25, and Nos. 4 and 9, \$17.48. No such prices as these can be obtained in this country. Ordinary prices of the New Domestic range from \$30 to \$50. Cash wholesale prices of the tailors are from about \$20 to \$30.

The prices of the Coronet (Davis) machines are for themselves. The American prices are about 100% higher.

DEMOCRATIC CAMPAIGN BOOK CONGRESSIONAL ELECTION 1906

The price of this book is twenty-five (25) cents—hardly more than the cost of printing. If you have not remitted please do so at once. If you will enclose us one dollar (\$1) we will send you, in addition to this book, copies of all campaign literature published by us. Remit to

J. M. GRIGGS, Chairman,
Washington, D. C.

Washington Headquarters, Munsey Building, Washington, D. C.

Chicago Headquarters, Palmer House, Chicago, Illinois



PRICE, 25 CENTS



BALTIMORE

The Sun Book and Job Printing Office
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DEMOCRATIC CAMPAIGN BOOK CONGRESSIONAL ELECTION 1906

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Democratic Congressional Committee

Washington Headquarters, Munsey Building, Washington, D. C.

Chicago Headquarters, Palmer House, Chicago, Illinois



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Democratic Campaign Book—1906

PLATFORM OF THE DEMOCRATIC PARTY, ADOPTED AT ST. LOUIS, MO., JULY 8, 1904.

The Democratic party of the United States, in national convention assembled, declares its devotion to the essential principles of the Democratic faith which bring us together in party communion.

Under them local self-government and national unity and prosperity were alike established. They underlaid our independence, the structure of our free republic, and every Democratic extension from Louisiana to California, and Texas to Oregon, which preserves faithfully in all the States the tie between taxation and representation. They yet inspire masses of our people, guarding jealously their rights and liberties, and cherishing their fraternity, peace and orderly development. They remind us of our duties and responsibilities as citizens, and impress upon us, particularly at this time, the necessity of reform and the rescue of the administration of government from the headstrong, arbitrary and spasmodic methods which distract business by uncertainty, and pervade the public mind with dread, distrust and perturbation.

FUNDAMENTAL PRINCIPLES.

The application of these fundamental principles to the living issues of the day is the first step toward the assured peace, safety and progress of our nation. Freedom of the press, of conscience and of speech; equality before the law of all citizens; the right of trial by jury; freedom of the person defended by the writ of habeas corpus; liberty of personal contract untrammelled by sumptuary laws; the supremacy of the civil over the military authority; a well-disciplined militia; the separation of church and State; economy in expenditures; low taxes; that labor may be lightly burdened; the prompt and sacred fulfilment of public and private obligations; fidelity to treaties; peace and friendship with all nations; entangling alliances with none; absolute acquiescence in the will of the majority, the vital principle of republics—these are doctrines which Democracy has established as proverbs of the nation and they should be constantly invoked, preached, resorted to and enforced.

CAPITAL AND LABOR.

We favor the enactment and administration of laws giving labor and capital impartially their just rights. Capital and labor ought not to be enemies. Each is necessary to the other. Each has its rights, but the rights of labor are certainly no less "vested," no less "sacred" and no less "inalienable" than the rights of capital.

CONSTITUTIONAL GUARANTEES.

Constitutional guarantees are violated whenever any citizen is denied the right to labor, acquire and enjoy property or reside where interests or inclination may determine. Any denial thereof by individuals, organizations or governments should be summarily rebuked and punished.

We deny the right of any executive to disregard or suspend any constitutional privilege or limitation. Obedience to the laws and respect for their requirements are alike the supreme duty of the citizen and the official.

The military should be used only to support and maintain the law. We unqualifiedly condemn its employment for the summary banishment of citizens without trial or for the control of elections.

We approve the measure which passed the United States Senate in 1896, but which a Republican Congress has ever since refused to enact, relating to contempts in Federal Courts and providing for trial by jury in cases of indirect contempt.

WATERWAYS.

We favor liberal appropriations for the improvement of waterways of the country. When any waterway like the Mississippi River is of sufficient importance to demand special aid of the Government, such aid should be extended with a definite plan of continuous work until permanent improvement is secured.

We oppose the Republican policy of starving home development in order to feed the greed for conquest and the appetite for national "prestige" and display of strength.

ECONOMY OF ADMINISTRATION.

Large reductions can easily be made in the annual expenditures of the Government without impairing the efficiency of any branch of the public service, and we shall insist upon the strictest economy and frugality compatible with vigorous and efficient civil, military and naval administration as a right of the people too clear to be denied or withheld.

We favor honesty in the public service, the enforcement of honesty in the public service, and to that end a thorough legislative investigation of those executive departments of the Government already known to teem with corruption, as well as other departments suspected of harboring corruption, and the punishment of ascertained corruptionists, without fear or favor or regard to persons. The persistent and deliberate refusal of both the Senate and the House of Representatives to permit such investigation to be made demonstrates that only by a change in the executive and in the legislative departments can complete exposures, punishment and correction be obtained.

FEDERAL GOVERNMENT CONTRACTS WITH TRUSTS.

We condemn the action of the Republican party in Congress in refusing to prohibit an executive department from entering into contracts with convicted trusts or unlawful combinations in

restraint of interstate trade. We believe that one of the best methods of procuring economy and honesty in the public service is to have public officials, from the occupant of the White House down to the lowest of them, return as nearly as may be to Jeffersonian simplicity of living.

EXECUTIVE USURPATION.

We favor the nomination and election of a President imbued with the principles of the Constitution, who will set his face sternly against executive usurpation of legislative and judicial functions, whether that usurpation be veiled under the guise of executive construction of existing laws, or whether it take refuge in the tyrant's pleas of necessity or superior wisdom.

IMPERIALISM.

We favor the preservation, so far as we can, of an open door for the world's commerce in the Orient without any unnecessary entanglement in Oriental and European affairs, and without arbitrary, unlimited, irresponsible and absolute government anywhere within our jurisdiction. We oppose, as fervently as did George Washington himself, an indefinite, irresponsible, discretionary and vague absolutism and a policy of colonial exploitation, no matter where or by whom invoked or exercised; we believe with Thomas Jefferson and John Adams that no government has a right to make one set of laws for those "at home" and another and a different set of laws, absolute in their character, for those "in the colonies." All men under the American flag are entitled to the protection of the institutions whose emblem the flag is; if they are inherently unfit for those institutions then they are inherently unfit to be members of the American body politic. Wherever there may exist a people incapable of being governed under American laws, in consonance with the American Constitution, the territory of that people ought not to be part of the American domain.

We insist that we ought to do for the Filipinos what we have already done for the Cubans, and it is our duty to make that promise now, and upon suitable guarantees of protection to citizens of our own and other countries resident there at the time of our withdrawal, set the Filipino people upon their feet, free and independent, to work out their own destiny. The endeavor of the Secretary of War, by pledging the Government's indorsement for "promoters" in the Philippine Islands, to make the United States a partner in speculative legislation of the archipelago, which was only temporarily held up by the opposition of the Democratic Senators in the last session, will, if successful, lead to entanglements from which it will be difficult to escape.

THE TARIFF.

The Democratic party has been, and will continue to be, the consistent opponent of that class of tariff legislation by which certain interests have been permitted, through Congressional favor, to draw a heavy tribute from the American people. This

monstrous perversion of those equal opportunities which our political institutions were established to secure has caused what may once have been infant industries to become the greatest combinations of capital that the world has ever known. These especial favorites of the Government have, through trust methods, been converted into monopolies, thus bringing to an end domestic competition, which was the only alleged check upon the extravagant profits made possible by the protective system. These industrial combinations, by the financial assistance they can give, now control the policy of the Republican party.

We denounce protection as a robbery of the many to enrich the few, and we favor a tariff limited to the needs of the Government, economically administered, and so levied as not to discriminate against any industry, class or section, to the end that the burdens of taxation shall be distributed as equally as possible.

We favor a revision and a gradual reduction of the tariff by the friends of the masses for the commonwealth, and not by the friends of its abuses, its extortions and its discriminations, keeping in view the ultimate ends of "equality of burdens and equality of opportunities," and the constitutional purpose of raising a revenue by taxation, to wit, the support of the Federal Government in all its integrity and virility, but in simplicity.

TRUSTS AND UNLAWFUL COMBINATIONS.

We recognize that the gigantic trusts and combinations designed to enable capital to secure more than its just share of the joint products of capital and labor, and which have been fostered and promoted under Republican rule, are a menace to beneficial competition and an obstacle to permanent business prosperity. A private monopoly is indefensible and intolerable.

Individual equality of opportunity and free competition are essential to a healthy and permanent commercial prosperity, and any trust or monopoly tending to destroy these by controlling production, restricting competition or fixing prices, should be prohibited and punished by law. We especially denounce rebates and discrimination by transportation companies as the most potent agency in promoting and strengthening these unlawful conspiracies against trade.

We demand an enlargement of the powers of the Interstate Commerce Commission, to the end that the traveling public and shippers of this Government may have prompt and adequate relief from the abuses to which they are subjected in the matter of transportation. We demand a strict enforcement of existing civil and criminal statutes against all such trusts, combinations and monopolies; and we demand the enactment of such further legislation as may be necessary to effectually suppress them.

Any trust or unlawful combination engaged in interstate commerce which is monopolizing any branch of business or production should not be permitted to transact business outside of the State of its origin. Whenever it shall be established in any court of competent jurisdiction that such monopolization exists, such prohibition should be enforced through comprehensive laws to be enacted on the subject,

RECLAMATION OF ARID LANDS AND DOMESTIC DEVELOPMENT.

We congratulate our Western citizens upon the passage of the law known as the Newlands Irrigation Act for the irrigation and reclamation of the arid lands of the West—a measure framed by a Democrat, passed in the Senate by a non-partisan vote, and passed in the House against the opposition of almost all Republican leaders by a vote the majority of which was Democratic. We call attention to this great Democratic measure, broad and comprehensive as it is, working automatically throughout all time without further action of Congress, until the reclamation of all the lands in the arid West capable of reclamation is accomplished, reserving the lands reclaimed for home seekers in small tracts, and rigidly guarding against land monopoly, as an evidence of the policy of domestic development contemplated by the Democratic party, should it be placed in power.

ISTHMIAN CANAL.

The Democracy when intrusted with power will construct the Panama Canal speedily, honestly and economically, thereby giving to our people what Democrats have always contended for—a great interoceanic canal, furnishing shorter and cheaper lines of transportation and broader and less trammelled trade relations with the other peoples of the world.

AMERICAN CITIZENSHIP.

We pledge ourselves to insist upon the just and lawful protection of our citizens at home and abroad, and to use all proper measures to secure for them, whether native-born or naturalized, and without distinction of race or creed, the equal protection of laws and the enjoyment of all rights and privileges open to them under the covenants of our treaties of friendship and commerce; and if under existing treaties the right of travel and sojourn is denied to American citizens, or recognition is withheld from American passports by any countries on the ground of race or creed, we favor the beginning of negotiations with the governments of such countries to secure by new treaties the removal of these unjust discriminations. We demand that all over the world a duly authenticated passport issued by the Government of the United States to an American citizen shall be proof of the fact that he is an American citizen and shall entitle him to the treatment due him as such.

ELECTION OF SENATORS BY THE PEOPLE.

We favor the election of United States Senators by the direct vote of the people.

STATEHOOD FOR TERRITORIES.

We favor the admission of the territory of Oklahoma and the Indian Territory. We also favor the immediate admission of Arizona and New Mexico as separate States, and a territorial government for Alaska and Porto Rico.

We hold that the officials appointed to administer the government of any territory, as well as with the district of Alaska, should be bona fide residents at the time of their appointment of the territory or district in which their duties are to be performed.

CONDEMNATION OF POLYGAMY.

We demand the extermination of polygamy within the jurisdiction of the United States and the complete separation of church and State in political affairs.

MERCHANT MARINE.

We denounce the ship subsidy bill recently passed by the United States Senate as an iniquitous appropriation of public funds for private purposes and a wasteful, illogical and useless attempt to overcome by subsidy the obstructions raised by Republican legislation to the growth and development of American commerce on the sea.

We favor the upbuilding of a merchant marine without new or additional burdens upon the people and without bounties from the public treasury.

RECIPROCITY.

We favor liberal trade arrangements with Canada, and with peoples of other countries, where these can be entered into with benefit to American agriculture, manufactures, mining or commerce.

MONROE DOCTRINE.

We favor the maintenance of the Monroe Doctrine in its full integrity.

ARMY.

We favor the reduction of the army and of army expenditure to the point historically demonstrated to be safe and sufficient.

PENSIONS AND OUR SOLDIERS AND SAILORS.

The Democracy would secure to the surviving soldiers and sailors and their dependents generous pensions, not by an arbitrary executive order, but by legislation which we grateful people stand ready to enact. Our soldiers and sailors who defend with their lives the Constitution and the laws have a sacred interest in their just administration. They must therefore share with us the humiliation with which we have witnessed the exaltation of court favorites, without distinguished service, over the scarred heroes of many battles; or aggrandized by legislative appropriations out of the treasuries of a prostrate people, in violation of act of Congress, which fixes the compensation and allowances of the military officers.

CIVIL SERVICE.

The Democratic party stands committed to the principles of civil service reform, and we demand their honest, just and impartial enforcement. We denounce the Republican party for

its continuous and sinister encroachments upon the spirit and operation of civil-service rules, whereby it has arbitrarily dispensed with examinations for office in the interests of favorites and employed all manner of devices to overreach and set aside the principles upon which the civil service was established.

SCHOOLS AND RACE QUESTIONS.

The race question has brought countless woes to this country. The calm wisdom of the American people should see to it that it brings no more. To revive the dead and hateful race and sectional animosities in any part of our common country means confusion, distraction of business and the reopening of wounds now happily healed. North, South, East and West, have but recently stood together in line of battle from the walls of Peking to the hills of Santiago, and as sharers of a common glory and a common destiny we should share fraternally the common burdens. We, therefore, deprecate and condemn the bourbon-like, selfish and narrow spirit of the recent Republican convention at Chicago, which sought to kindle anew the embers of racial and sectional strife, and we appeal from it to the sober common sense and patriotic spirit of the American people.

THE REPUBLICAN ADMINISTRATION.

The existing Republican administration has been spasmodic, erratic, sensational, spectacular and arbitrary. It has made itself a satire upon the Congress, the courts and upon the settled practices and usages of national and international law.

It summoned the Congress into hasty and futile extra session, and virtually adjourned it, leaving behind in its flight from Washington uncalled calendars and unaccomplished tasks.

It made war, which is the sole power of Congress, without its authority, thereby usurping one of its fundamental prerogatives. It violated a plain statute of the United States as well as plain treaty obligations, international usages and constitutional law; and has done so under pretence of executing a great public policy, which could have been more easily effected lawfully, constitutionally and with honor.

It forced strained and unnatural constructions upon statutes, usurping judicial interpretation and substituting Congressional enactment decree.

It withdrew from Congress their customary duties of investigation which have heretofore made the representatives of the people and the States the terror of evildoers.

It conducted a secretive investigation of its own and boasted of a few sample convicts, while it threw a broad coverlet over the bureaus which had been their chosen field of operative abuses, and kept in power the superior officers under whose administration the crimes had been committed.

It ordered assault upon some monopolies, but, paralyzed by its first victory, it flung out the flag of truce and cried out that it would not "run amuck"—leaving its future purposes beclouded by its vacillations.

APPEAL TO THE COUNTRY.

Conducting the campaign upon this declaration of our principles and purposes, we invoke for our candidates the support, not only of our great and time-honored organization, but also the active assistance of all of our fellow-citizens who, disregarding past differences upon questions no longer in issue, desire the perpetuation of our Constitutional Government as framed and established by the fathers of the republic.

FUNDAMENTAL PRINCIPLES OF DEMOCRACY.

JEFFERSON'S INAUGURAL ADDRESS.

"About to enter, fellow-citizens, on the exercise of duties which comprehend everything dear and valuable to you, it is proper that you should understand what I deem the essential principles of our Government, and consequently those which ought to shape its administration. I will compress them within the narrowest compass they will bear, stating the general principle, but not all its limitations.

"Equal and exact justice to all men of whatever state or persuasion, religious or political.

"Peace, commerce, and honest friendship with all nations, entangling alliances with none.

"The support of the State governments in all their rights, as the most competent administrations for our domestic concerns and the surest bulwarks against anti-republican tendencies.

"The preservation of the General Government in its whole constitutional vigor, as the sheet anchor of our peace at home and safety abroad.

"A jealous care of the rights of election by the people—a mild and safe corrective of abuses which are lopped by the sword of revolution where peaceable remedies are unprovided.

"Absolute acquiescence in the decision of the majority—the vital principle of republics from which there is no appeal but to force, the vital principle and immediate parent of despotism.

"A well-disciplined militia, our best reliance in peace, and for the first moments of war, till the regulars may relieve them.

"The supremacy of the civil over the military authority.

"Economy in the public expense, that labor may be lightly burdened.

"The honest payment of our debts and sacred preservation of the public faith.

"Encouragement of agriculture and commerce as its handmaid.

"The diffusion of information and the arraignment of all abuses at the bar of public reason.

"Freedom of religion; freedom of the press; freedom of the person under the protection of habeas corpus; and trials by juries impartially selected.

"These principles form the bright constellation which has gone before us, and guided our steps through an age of revolution and reformation. The wisdom of our sages and the blood of our

heroes have been devoted to the attainment. They should be the creed of our political faith—the text of civil instruction—the touchstone by which to try the services of those we trust; and should we wander from them in moments of error or alarm, let us hasten to retrace our steps and regain the road which leads alone to peace, liberty and safety.”

WHY I AM A DEMOCRAT.

I am a Democrat because the eternal and immutable principles of Democracy are necessary to a free government, which vary only in their application and expression as the needs and exigencies of our country demand.

I am a Democrat because Democracy means the rule of the people; the rule of the majority, freely and fairly expressed.

I am a Democrat because the Democracy of the United States endorses and has always endorsed the enduring Declaration of Independence, in which amongst other things the fathers of the Republic particularly declared that:

The right of petition is ours and sacred.

All men are created equal * * * with certain Inalienable Rights, that among these are Life, Liberty and the Pursuit of Happiness.

I am a Democrat because the Democratic party stands for “Equal Rights to All and Special Privileges to None;” which is the natural corollary of the great Declaration.

I am a Democrat because the Democratic party is for the preservation of all the rights granted to the Federal government by the Constitution, and for the preservation of the reserved rights of the States, and especially for the right of the people to alter or change the fundamental law when they deem it necessary.

I am a Democrat because the Democratic party stands for Home Rule—the right of each organized community to manage its own local affairs as may seem best to the majority of its citizens.

I am a Democrat because the Democratic party stands for the least taxation, national, state and local, that will support the Federal, State and local governments honestly and economically administered.

I am a Democrat because the Democratic party opposes and has always opposed the centralization of power in the hands of the Federal government, other than those powers granted by the Constitution.

I am a Democrat because, the Democratic party is broad enough for all men to enlist under its banner, who believe in and endorse its fundamental principles, and yet catholic enough to shelter with its everlasting wings the rich and powerful and the poor and needy, where both labor and capital and all conditions of men, can work out their own salvation with absolute equity.

I am a Democrat because the Democratic party stands for the equal right of every citizen in his person and property and in their management to achieve what his own efforts entitle him to,

without anyone to molest or make afraid, if he does not commit aggressions upon the equal rights of another, and this is all from which he ought by law to be restrained.

I am a Democrat because the Democratic party has always opposed and is today fighting monopolies and trusts and the moneyed oligarchy, even as it fought and vanquished the political oligarchy under Jefferson and the moneyed oligarchy under Jackson. And because I believe it is the only party honestly fighting the UNLAWFUL COMBINATIONS AND CORPORATIONS—made possible by law, entrenched behind a prohibitive tariff, buttressed by subsidies and fostered by special rates and rebates, plundering the people with the one hand, while with the other they reach for foreign conquest and sell their product cheaper abroad than they sell it to our own tariff-taxed people.

I am a Democrat because the Democratic party, in all its enviable history since the foundation of the Republic, has always been the bulwark of the people against special privilege and the defender of the many against the power of money in the hands of the few.

I am a Democrat because the Democratic party is conservative enough to hold fast to that which is good and radical enough to push all necessary reforms.

FIRST TARIFF ACT, 1789.

The first tariff act passed by Congress was in April, 1789. It was approved by President Washington. It took effect July 4, 1789, and was entitled:

“An Act for Laying the Duty on Goods, Wares and Merchandise” and began with this preamble:

Whereas, It is necessary for the support of Government, for the discharge of the debts of the United States and the encouragement and protection of manufactures, that duty be paid on goods, wares and merchandise imported.

Be it enacted, etc.:

That from and after the first day of August next ensuing the several duties hereinafter mentioned shall be laid on the following goods, wares, and merchandise imported into the United States from any foreign port or place, that is to say:

Because of this preamble the Republicans refer to this act with unremitting joy. The Republican Campaign Book of 1896 contains the following:

The first revenue law passed by the United States after the adoption of the Constitution, was one prepared under a resolution of Mr. Madison. It passed the House May 14, and the Senate June 12; was sent to a conference, passed both Houses, and was approved by President Washington and became a law July 4, 1789. The preamble of this law recited: “Whereas it is necessary for the support of the Government and the encouragement and protection of manufactures,” etc. This act provided for both specific and ad valorem duties. Among the former were: Boots, 50 cents per pair; tallow candles, 2 cents a pound; coal, 2 cents per bushel, etc. James Madison, who has been called the “father of the Constitution,” was also the legislative “father of protection” to American manufactures.

Here is the Act in question, fixed by the "fathers" for the "protection of manufactures"—"infants" then, as they are in 1906:

FIRST TARIFF ACT TOOK EFFECT JULY 4, 1789.

Articles.

U. S. Act, April, 1789

Wines and liquors—

Madeira wine, gallon.....	18c
Other wines, gallon.....	10c
Beer, ale, porter, gallon.....	5c
Ditto, in bottles, dozen.....	20c
Jamaica rum, gallon.....	10c
Other rum, gallon.....	8c
Distilled spirits, gallon.....	8 to 10c
Brown sugar, pound.....	1c
Loaf sugar, pound.....	3c
Molasses, gallon.....	2½c
Coffee, pound.....	2½c
Bohea tea, pound.....	6 to 8c
Other teas, pound.....	10 to 16c
Salt, bushel.....	10c
Cocoa, pound.....	1c
Chocolate, pound.....	5c
Snuffs, pound.....	10c
Manufactured tobacco, pound.....	6c
Earthen and China ware.....	10%
Glassware.....	10%
Looking glasses.....	10%
Window glass.....	10%
Soap, pound.....	2c
Beef, pound.....	5%
Pork, pound.....	5%
Nails and spikes, pound.....	1c
Cordage and cables, cwt.....	75c
Twine, cwt.....	90c
Boots, pair.....	50c
Shoes, of leather, pair.....	7c
Shoes, of stuff, pair.....	5%
Shoes, of silk, pair.....	10c
Four-wheeled carriages, each.....	15%
Two-wheeled carriages, each.....	15%
Harness and bridles.....	7½%
Scythes, dozen.....	5%
Iron shovels, dozen.....	5%
Hoes, dozen.....	5%
Axes, dozen.....	5%
Anchors.....	7½%
Bar iron, cwt.....	7½%
Hemp, cwt.....	60c
Iron pots and kettles, cwt.....	7½%
Iron stoves, cwt.....	7½%
Iron castings, cwt.....	7½%
Iron hollowware, cwt.....	7½%
Tools.....	5%
Candles, pound.....	2c
Butter.....	5%
Cheese.....	4c
Linseed oil, gallon.....	5%
Coal, bushel.....	2c
Miscellaneous manufactures of metals.....	5%
Wrought gold.....	5%
Wrought silver.....	5%
Brass.....	Free
Copper.....	5%
Lead.....	Free
Tin.....	Free

FIRST TARIFF ACT TOOK EFFECT JULY 4, 1789—Continued.

Articles.	U. S. Act, April, 1789
Tinplate.....	7½%
Sheeps' wool.....	Free
Cotton wool.....	Free
Cloths.....	5%
Ready-made clothing.....	7½%
Beaver hats, each.....	7½%
Castor hats, each.....	7½%
Felt hats, each.....	7½%
Spelling books and primers.....	5%
Novels.....	5%
Paperhangings.....	7½%
Whips.....	7½%
Canes.....	7½%
Household furniture.....	5%
Wool and cotton cards, per dozen.....	50c.
Leather, pound.....	7½%
Leather manufactures.....	7½%
Horn combs.....	5%
Playing cards, dozen packs.....	\$1.20

The Congress which passed this act met April 6, 1789, and two days thereafter the House, in the committee of the whole on the state of the Union, took up the subject of the tariff, introduced by James Madison, who, in part, said:

"I take the liberty, Mr. Chairman, at this early stage of the business, to introduce to the committee a subject which appears to me to be of the greatest magnitude; a subject, sir, that requires our first attention and our united exertions. * * * The deficiency in our Treasury has been too notorious to make it necessary for me to animadvert upon that subject. Let us content ourselves with endeavoring to remedy the evil. To do this a national revenue must be obtained; but the system must be such a one that, while it secures the object of revenue, *it shall not be oppressive to our constituents*. Happy it is for us that such a system is within our power, for I apprehend that both these objects may be obtained from an impost on articles imported into the United States.

"In pursuing this measure, I know that two points occur for our consideration. The first respects the *general regulation of commerce*, which, in my opinion, ought to be as *free as the policy of nations* will admit. The second relates to revenue alone, and this is the point I mean more particularly to bring *into the view of the committee*. * * * The proposition made on this subject by Congress in 1783, having received generally the approbation of the several States of the Union in some form or other, seems well calculated to become the basis of the temporary system which I wish the committee to adopt."

THE DINGLEY TARIFF.

Articles.	Specific rates of duty.	Ad valorem rates of duty.	Computed aver- age ad valorem rates of duty. (Fiscal year 1905.)
		Per Cent.	Per Cent.
Wines and liquors—			
Madeira wine.....Gal.	Still wines.....		49.66
Other wines..... "	Champagne and other sparkling.....		53.76
Beer, ale, porter..... "	In bottles or jugs, per gallon, 40 cents.....		42.62
Ditto, in bottles.....doz.	In other coverings, per gallon, 20 cents.....		69.37
Jamaica rum..... gal.	{ Per gallon, \$2.25.....		125.71
Other rum..... "			
Distilled spirits..... "	{ Sugar under No. 16 D. S. in color, per pound from .95 ct. to 1.825 cts., accord- ing to degree.....		56.65
Brown sugar..... lb.			
Loaf sugar..... "	Sugar above No. 16 D. S. (refined) per pound, 1.95 cents.....		55.88
Molasses..... gal.	Per gallon, 3 and 6 cents...	20	19.31
Coffee..... lb.	Free		
Bohea tea..... "	Free		
Other teas..... "	Free		
Salt..... bu.	{ Per 100 lbs. in bags or sacks, 12 cents.....		33.32
Cocoa..... lb.	{ Per 100 lbs in bulk, 8 cents		83.16
Chocolate..... "			16.70
Snuffs..... "	Per pound, 55 cents.....		26.37
Mfd. tobacco..... "	Per pound, 55 cents (not including cigars, che- roots and cigarettes)....		100.72
Earthen and chinaware.....			100.51
Glassware.....	All classes		58.96
Looking glasses.....	{ Mirrors not exceeding 144 square inches.	45	57.33
Window glasses.....	{ Looking-glass plates ex- ceeding 144 sq. inches..		67.80
Soap..... lb.			53.91
Beef..... "	Per pound, 2 cents.....		27.11
Pork..... "	Per pound, 2 cents.....		20.44
Nails and spikes..... "			14.65
Cordage and cables....cwt.	Per pound, 1 and 2 cents...		9.51
Twine..... "			16.95
Boots..... pair		25	44.56
Shoes, of leather..... "		25	
" stuff..... "	{ Cotton	50	
" silk..... "	{ Wool, per pound, 44 cents and.....	60	
4-wheeled carriages...each	Metal, chief value.....	60	
2-wheeled carriages.... "	Wood, chief value.....	45	
Harness and bridles.... doz		35	
Scythes..... "		45	
Iron shovels..... "		45	
Hoes..... "		45	
Axes..... "		45	
Anchors.....	Per pound, 1½ cents.....		38.18
Bar iron.....cwt.			29.09
Hemp.....			12.72
Iron pots and kettles.. "	Per pound, 8-10 cent		
Iron stoves..... "	Per pound, 8-10 cent.....		
Iron castings..... "			16.82
Iron hollow-ware..... "	Per pound, 2 cents.....		35.71
Tools.....	Of metal.....	45	
Candles..... lb.	{ Wax	25	
Butter.....	{ All other	20	
Cheese.....	Per pound, 6 cents.....		28.95
	Per pound, 6 cents.....		41.41

THE DINGLEY TARIFF —Continued.

Articles.	Specific rates of duty.	Ad valorem rates of duty.	Computed aver- age ad valorem rates of duty. (Fiscal year 1905.)
		Per Cent.	Per Cent.
Linseed oil..... gal.	Per gallon, 20 cents.....	.....	52.06
Coal..... bu.	{ Bituminous and shale	.....	.....
	{ per ton, 67 cents.....	.....	21.59
	{ Slack or culm of coal	.....	.....
	{ per ton, 15 cents.....	.....	10.74
Miscel. man'f'r's of metals..	.....	45	.....
Wrought gold.....	.....	45	.....
Wrought silver.....	.....	45	.....
Brass (old brass free).....	Manufactures....	.....	45.21
Copper (unman'f'd free)....	Manufactures.....	.....	15.75
Lead.....	Ore and manufactures....	.....	82.25
Tin (unman'f'd free).....	Manufactures....	.....	.45
Tin plate.....	Per pound, 1½ cents.....	.....	53.12
Sheep's wool.....	.....	.....	46.64
Cotton (raw free).....	Manufactures.....	.....	54.26
Cloths.....	{ Cotton.....	.....	38.55
	{ Fibre.....	.....	44.73
	{ Silk.....	.....	55.20
	{ Wool.....	.....	100.02
	{ Cotton.....	50	.....
Ready-made clothing.....	{ Silk.....	60	.....
	{ Wool, per pound, 44	.....	.....
	{ cents and.....	60	82.20
Beaver hats.....each	{ Fur hats.....	.....	52.26
Castor hats.....	Wool, 44 cts. per pound and	60	81.50
Felt hats.....	.....	.....	.....
Spell. books & primers.....	{	25	.....
Novels.....	.....	.....	.....
Paper hangings.....	.....	25	.....
Whips.....	(Harness).....	45	.....
Canes.....	(Sticks for).....	40	.....
Household furniture....	Free.....	.....	.....
Wool and cotton cards..pair	.....	.....	.....
Leather..... lb.	.....	.....	17.16
Leather manufactures.....	{ Gloves.....	.....	52.58
	{ All other n. e. s.....	35	.....
Horn combs.....	.....	30	.....
Playing cards.....doz. packs	Per pack, 10 cents and....	20	150.67

TARIFF RATES.

THE AVERAGE RATES OF DUTY FOR THE YEAR ON THE THINGS ACTUALLY TAXED.

Year.	Per cent.	Year.	Per cent.	Year.	Per cent.
1791	15.34	1831	47.38	1871	43.95
1792	11.54	1832	42.96	1872	41.35
1793	14.68	1833	38.25	1873	38.07
1794	17.10	1834	40.19	1874	38.53
1795	11.21	1835	40.38	1875	40.62
1796	12.02	1836	34.94	1876	44.74
1797	15.60	1837	29.18	1877	42.89
1798	19.99	1838	41.33	1878	42.75
1799	19.70	1839	31.77	1879	44.87
1800	17.42	1840	34.39	1880	43.48
1801	16.61	1841	34.56	1881	43.20
1802	30.67	1842	25.81	1882	42.66
1803	20.52	1843	29.19	1883	42.45
1804	22.76	1844	36.88	1884	41.61
1805	19.19	1845	34.45	1885	45.86
1806	21.22	1846	33.35	1886	45.55
1807	20.09	1847	28.02	1887	47.10
1808	37.22	1848	26.28	Estim't'd average rate under Mills bill	
1809	18.80	1849	26.11	1888	42.49
1810	14.07	1850	27.14	1889	45.63
1811	35.62	1851	26.63	1890	45.13
1812	13.07	1852	27.38	1891	44.41
1813	69.03	1853	25.93	1892	46.28
1814	46.79	1854	25.61	1893	48.71
1815	6.84	1855	26.82	1894	49.58
1816	27.94	1856	26.05	1895	50.06
1817	32.90	1857	22.45	1896	41.75
1818	16.78	1858	22.43	1897	39.95
1819	29.81	1859	19.56	1898	42.17
1820	26.59	1860	19.67	1899	48.75
1821	30.99	1861	36.20	1900	52.07
1822	27.13	1862	32.62	1901	49.24
1823	39.21	1863	36.69	1902	49.78
1824	50.21	1864	47.56	1903	49.03
1825	50.24	1865	48.35	1904	48.77
1826	49.26	1866	46.67	1905	45.24
1827	53.76	1867	48.63		
1828	47.59	1868	47.22		
1829	54.18	1869	47.08		
1830	61.69	1870			

THE HISTORY OF TARIFF CHANGES.

RATES OF DUTY LEVIED ON ARTICLES OF NECESSITY UNDER ALL TARIFFS SINCE 1791 TO 1883.

Tariff Act of the Year	Raw Cotton, per lb.	Cotton Goods, per cent.	Raw Wool, per cent.	Woolen Goods, per cent.	Woolen Blankets.	Wood, unmanufactured, n. o. p.	Wood, manufactured, n. o. p.	Iron manufactures, n. o. p.	Steel manufactures, n. o. p.	Flax manufactures, n. o. p.	Glass, n. o. p.	Earthenware.
1789.....	free	5	free	5	5	5	5	5	5	5	10	10
1790-91.....	3c	7½	free	5	5	5	5	7½	5	5	12½	10
1792.....	3c	7½	free	7½	7½	free	7½	10	10	7½	15	10
1794-5.....	3c	12½	free	10	10	free	12½	15	15	12½	20	15
1797-1800.....	3c	15	free	12½	12½	free	12½	15	15	12½	20	15
1804-7-8.....	3c	17½	free	15	15	free	15	17½	17½	15	22½	17½
1812-15.....	6c	35	free	30	30	free	30	35	35	30	45	35
1816-19.....	3c	n.o.p.	free	25	25	free	30	20	20	25	20	20
1824-25.....	3c	25	15@30	30-33½	25	free	30	25	25	25	20	20
1828-30.....	3c	25	15@50	40@45	35	free	30	25	25	25	20	20
1832.....	3c	25	0@80	50	25	free	25	25	25	25	20	20
1833 { 1836.....	3c	24	0@78	44	24	free	24	24	24	24	20	20
1833 { 1841.....	3c	23	0@72	38	23	free	23	23	23	23	20	20
1842.....	3c	30	5@60	40	25	free	30	30	30	25	25	30
1846.....	free	25	30	30	20	30	30	30	30	20	30	30
1857.....	free	19	0@24	24	15	24	24	24	24	15	24	24
1861.....	free	30	5@20	12c. a lb. & 25¢ ct	ix ed m	20	30	30	30	30	30	20@25
1867.....	3c	35	*40	35¢ ct		20	35	35	45	40	40	25@40
1883.....	free	35	*36	35@40	*71	20	35	45	45	40	45	25@60

The figures marked with a * are the average rates collected on the next year's imports. All the others are at the rates embodied in the law.

PROTECTIVE TARIFFS NOT TO BE "PERPETUAL."

In 1833 Mr. Clay said:

Now, give us time; cease all fluctuation and agitations for nine years, and the manufacturers in every branch will sustain themselves against foreign competition.

In 1840 he said:

No one, Mr. President, in the commencement of the protective policy ever supposed that it was to be perpetual.

We hoped and believed that temporary protection extended to our infant manufacturers would bring them up and enable them to withstand competition with those of Europe. If the protective policy were entirely to cease in 1842 it would have existed twenty-six years from 1816, or eighteen from 1824, quite as long as at either of these periods its friends supposed might be necessary.

In 1842 he said:

Let me not be misunderstood, and let me entreat that I may not be misrepresented. I am not advocating the revival of a high protective tariff. I am abiding by the principles of the compromise act.

But in 1810 he had said:

But it is important to diminish our imports, to furnish ourselves with clothing made by our own industry, and to cease to be dependent for the very coats we wear upon foreign and perhaps inimical country. The nation that imports its clothing from abroad is but little less dependent than if it imported its bread.

The vote for the Act of 1846 was: House, 114 to 43; Senate, 27 to 27, Vice-President Dallas casting the deciding vote (28 to 27). Mr. Dallas in explaining his vote, in part said:

"During that period ('high duties on imports * * for more than thirty years') a system of high taxation has prevailed, with fluctuations of success and failure. It ought to be remembered that this exercise of the taxing power was **ORIGINALLY INTENDED TO BE TEMPORARY.**

"The design was to foster feeble '*infant*' (*his italics*) manufacturers, **ESPECIALLY SUCH AS WERE ESSENTIAL TO THE DEFENSE OF THE COUNTRY IN TIME OF WAR.**

"In this design, the people have persevered until these saplings have taken root; have become vigorous, expanded and powerful, and are prepared to enter, with confidence, the field of fair, free and universal competition.

"The arrival of this period of time has been anxiously looked for by a large portion of our fellow citizens, who deem themselves peculiar and almost **EXCLUSIVE SUFFERERS BY THE POLICY OF PROTECTION.**

"They have sometimes, perhaps, imprudently, endeavored to anticipate it.

"Their numbers, at first entitled in influence, only from their patriotism and intelligence, have gone on, gradually increasing as the system ripened to its fruit, and they now constitute a decided majority of the people of the Union."

THE TARIFF AND TRUSTS.

The protective tariff has been acknowledged by one of its principal beneficiaries, Mr. Havemeyer, president of the Sugar Trust, in his testimony before the Industrial Commission, June 14, 1899, to be the "mother of all trusts" and as that statement is pretty near the truth it seems desirable to treat the tariff and trust questions under one head.

DEMOCRATIC PLATFORMS ON TARIFF AND TRUSTS.

The Democratic position on the tariff issue, as declared in the last national platform was:

"The Democratic party has been and will continue to be the consistent opponent of that class of tariff legislation by which certain interests have been permitted through Congressional favor to draw heavy tribute from the American people. This monstrous perversion of those equal opportunities which our political institutions were established to secure, has caused what may once have been infant industries to become the greatest combinations of capital that the world has ever known. These especial favorites of the government have, through trust methods, been converted into monopolies, thus bringing to an end domestic competition, which was the only alleged check upon the extravagant profits made possible by the protective system. These industrial combinations by the financial assistance they can give, now control the policy of the Republican party. We denounce protection as a robbery of the many to enrich the few; and we favor a tariff limited to the needs of the government, economically administered, and so levied as not to discriminate against any industry, class or section, to the end that the burdens of taxation shall be distributed as equally as possible.

"We favor a revision and a gradual reduction of the tariff by the friends of the masses and for the common weal, and not by the friends of its abuses, its extortions and its discriminations; keeping in view the ultimate ends of 'equality of burdens and equality of opportunities' and the constitutional purposes of raising a revenue by taxation—to wit, the support of the Federal Government in all its integrity and virility, but in simplicity."

The national platform of 1900 declared that:

"Tariff laws should be amended by putting the products of trusts upon the free list to prevent monopoly under the plea of protection."
* * * "We condemn the Dingley tariff law as a trust-breeding measure, skilfully devised to give to the few favors which they do not deserve, and to place upon the many burdens which they should not bear."

There is no doubt therefore where the Democratic party stands on the tariff and the trusts. The Republican position is to "stand pat" and "continue to stand pat," or as Speaker Cannon puts it, "stand pat and pass the hat."

REPUBLICAN PLATFORM ON TARIFF AND TRUSTS.

The last Republican national platform declared:

"We insist upon the maintenance of the principles of protection, and therefore rates of duty should be readjusted only when conditions have so changed that the public interest demands their alteration; but this work cannot be safely committed to any other hands than those of the Republican party. To intrust it to the Democratic party is to invite disaster."

On the trusts the Republican platform declared:

"Combinations of capital and of labor are the results of the economic movement of the age, but neither must be permitted to infringe upon the rights and interests of the people. Such combinations, when lawfully formed for lawful purposes, are alike entitled to the protection of the laws, but both are subject to the laws, and neither can be permitted to break them."

Therefore:

1. The issue on the tariff question is not between theoretical protection and theoretical free trade; it is between exaggerated protection producing monopoly, and a fair and just revision of the schedules in behalf of the general welfare; the former is the Republican position, the latter the Democratic.

TARIFF HISTORY.

DISPROVES REPUBLICAN PLATFORM CONTENTION.

The Republican national platform claims that:

"A Democratic tariff has always been followed by business adversity, a Republican tariff by business prosperity."

That hoary Republican misstatement has been reiterated in every campaign since the war, but it remained for Senator Lodge to embalm it in a Republican platform, and to have it approved by a President of the United States.

HISTORICAL FACTS.

Economic crises with the accompanying tariff in different countries were as follows:

United States:	England:	France:
.....	1866 Free Trade.	.....
1869 Protection.	.....	.....
1873 Protection.	1873 Free Trade.	1873 Protection.
.....	.....	1882 Protection.
1884 Protection.	.....	1884-5 Protection.
1890 Protection.	1890 Free Trade.	1890 Protection.
1893 Protection.	.....	1893 Protection.

These dates are taken from "Economical Crises," page 137, by Edward D. Jones, professor of economics, University of Wisconsin.

The table shows that all the panics in this country have occurred under Republican auspices and with the highest protective tariff, and in France the same conditions prevailed, while in free trade England there has been only one panic since 1873, and that known as the "Baring panic," was purely financial.

That the present "boom" will be followed by a panic is only a question of time. The present is a period of great inflation through the natural vast increase in the output of gold, and the further artificial increase through legislation. The national bank currency has been inflated 10 per cent. by the act allowing the banks to issue notes up to the par value of the bonds deposited, and the large increase in the number of banks under the act allowing national banks to be organized with \$25,000 capital. So

that, whereas in 1896 the per capita circulation was \$21.42 in 1905, it had increased to \$31.08, or nearly 50 per cent. more than in 1896, and now exceeds \$32; thereby proving the Democratic contention of the quantitative theory of money, and substantiating the demand made by the Democrats in 1896, that the currency of the country should be increased. It is not the tariff therefore, which has produced the present "boom," but inflation of the currency and record crops in this country with a shortage of crops in other countries, and the consequent good demand for our products from England and elsewhere.

IS PROTECTION PANIC PROOF?

The argument used by Senator Gallinger, which was so carefully prepared by the paid officials of the Protective Tariff League, and published as a document in 1904, under the thrilling caption, "Protection Is Panic Proof," is completely demolished by the facts above presented. Protection was certainly not panic proof in 1873. Where was the God of Protection then? Perchance, like Baal of old, he was on a journey, or, peradventure, he was sleeping. Heaven knows that the Protectionists called upon Him loudly enough, just then; for their plight was pitiable.

Perhaps Senator Gallinger, or other protectionist orators, may show to their own satisfaction that under the Democratic low tariff of 1846-1857 the country was in a continual panic; but the facts would belie them, for that period was one of remarkable prosperity. Then, as now, the gold output was enormously increased by the discoveries in California in 1847, and circulation of money per capita increased, from \$6.79 in 1840 to \$15.81 in 1857. Immigration was on a large scale, as it is now. Crops were good here and poor abroad, as now. In fact, the country was so flourishing that the Secretary of the Treasury used to harp in his annual reports on "a new commercial era," as Secretary Shaw is now doing. Yet tariff rates at that time averaged less than 25 per cent. But prosperity was so great and the tariff produced so much revenue, that the public debt was virtually extinguished, being reduced in 1857 to but 99 cents per capita, whereas on June 30, 1905, it was \$11.91, and exceeds that figure today. Hence the tariff of 1857 was purposely passed to reduce and did reduce the 30 per cent. ad valorem act of 1846 to 20 per cent. ad valorem, and Nathaniel P. Banks, a Republican, was speaker with an anti-Democratic majority behind him. Of this law Mr. Blaine in his "Twenty Years in Congress," says:

TARIFF 1846—MR. BLAINE.

Moreover, the tariff of 1846 was yielding an abundant revenue, and the business of the country was in a flourishing condition at the time his administration [President Pierce's] was organized. Money became very abundant after the year 1849; large enterprises were undertaken, speculation was prevalent, and for a considerable period the prosperity of the country was general and apparently genuine.

TARIFF 1857—RESISTANCE CEASED TO LOW TARIFF.

The principles embodied in the tariff of 1856 seemed for the time to be so entirely vindicated and approved that resistance to it ceased, not only among the people, but among the protective economists, and even among the manufacturers, to a large extent,

So general was this acquiescence that in 1856 a protective tariff was not suggested, or even hinted, by *any one of the three parties* which presented Presidential candidates.

"By this law (tariff 1857) the duties were placed lower than they had been at any time since the war of 1812.

"The act was well received by the people, and was, indeed, concurred in by a considerable portion of the Republican party."

The convention (which nominated Mr. Lincoln, 1860) therefore avoided the use of the word "protection," and was contented with the moderate declaration that "sound public policy" requires such an adjustment of imports as will encourage the development of the industrial interest of the whole country.

The conditions of that period of prosperity and low tariff are so well stated by the New York Evening Post, May 20, 1904, that it is worthy of repetition:

"With rare foresight, Mr. Blaine, in his 'Twenty Years of Congress,' anticipated the Senator from New Hampshire. The protectionists, he says, held that the boasted prosperity under the tariff of 1846 was abnormal in origin and character. 'It depended on a series of events exceptional at home and even more exceptional abroad—events which by the doctrine of probabilities would not be repeated for centuries. The protectionists maintain that from 1846 to 1857 the United States would have enjoyed prosperity under any form of tariff, but that the amount of exceptional conditions in Europe and America came to an end the country was plunged headlong into a disaster from which the conservative force of a protective tariff would in large part have saved it.' But that sort of talk will not go down with such men as John Sharp Williams. They will insist on knowing why the exceptional conditions prior to 1857 cannot be ascribed to the low tariff of 1846. We all know that the poor crops in Europe and the big crops in this country in 1897 were due to protection, and why were not the Irish potato famine and the high price of wheat in the forties equally due to the Walker tariff?

"The Blaine explanation of 1846 is an edged tool for the friends of protection. In fact, it shows us very clearly what caused the panic of 1873. The low tariff of 1846 was a death-dealing device, but it took eleven years to get in its work. Senator Gallinger declares that the Morrill tariff of 1861 was designedly a protective measure. The new policy was in operation during one of the greatest periods of speculation in our history. But in twelve years there was the worst collapse we had ever known. Certainly, protection was not panic proof then, and how do we know it is going to be panic proof now? Only seven years (now nine years) have passed since the Dingley law was enacted, whereas the experience of 1857 and 1873 teaches that we must wait eleven or twelve years to discover whether a tariff is a tonic or a poison. Senator Gallinger did well to say nothing about 1873, but he should have steered clear of 1857 also."

We will now quote from the very able report of Special Commissioner of Revenue, David A. Wells, Executive Document No. 16, House, Fortieth Congress, third session, dated January, 1869, first classifying our tariffs as follows:

1816 to 1824, moderate protective.
 1824 to 1832, high protective.
 1833 to 1842, lower compromise.
 1842 to 1848, higher protective.
 1846 to 1857, low revenue.
 1857 to 1861, lower revenue.

Mr. Wells said:

"Production of pig iron in 1830, 165,000 tons; in 1840, 347,000 tons. Increase in 10 years, 110 per cent.

"Production in 1845, 486,000 tons; increase in 5 years, 40 per cent.

"Production in 1850, 564,000 tons; increase in 10 years, 62 per cent.

"Production in 1855, 754,000 tons; increase in 5 years, 33 per cent.

"Production in 1860, 913,000 tons; increase in 10 years, 61 per cent.

"It thus appears that the great annual increase in the production of pig iron took place prior to the year 1840, and for 30 years was remarkably uniform at the rate of 10 to 11 per cent. per annum; and that since then, no matter what has been the character of the legislation, whether the tariff was low or high, whether the condition of the country was one of war or peace, the increase of the production has been at the average of about 8 per cent. per annum, or more than double the ratio of the increase of population.

"Again, as another curious illustration of an apparent misconception of the effects of past legislation upon the development of the country, take the following paragraph from the recent report of a congressional committee:

"No business men of mature age need be reminded of the revulsion which followed in consequence of the free-trade system of 1846—the decline of production, of immigration, of wages, of public or private revenue, until the culmination of the system in the tariff of 1857, with the memorable crisis of that period; the general ruin of manufacturers and merchants; the suspended payment of the banks; the reduction of the Treasury to the verge of bankruptcy, and the unparalleled distress among the unemployed poor."

"Now, with all due deference to the Committee, the Commissioner would ask attention to the following statistics bearing on the question under consideration:

"Increase in the production of pig iron: In 1840, 347,000 tons; in 1845, 486,000; in 1850, 564,755; 1855, 754,178; 1860, 913,770.

"Increase in the production of Pennsylvania anthracite coal: 1842, 1,108,418 tons; 1846, 2,344,005; 1847, 2,882,309; 1849, 3,217,641; 1855, 6,486,097; 1860, 8,143,938.

"Increase in the domestic consumption of cotton north of the Potomac: 1840, 297,000 bales; 1845, 422,000; 1849-50, 476,000; 1851-52, 588,000; 1855, 633,000; 1858-59, 760,000; 1859-60, 792,000.

"Increase in immigration: 1840, 84,000; 1845, 174,000; 1850, 310,000; 1854, 427,000.

"Increase in public revenues: 1840, \$19,000,000; 1845, \$29,000,000; 1850, \$52,000,000; 1855, \$74,000,000.

"Increase of national wealth: From 1840 to 1850, 80 per cent.; from 1850 to 1860, 126 per cent. In 1854 the 6 per cent. bonds of the United States, issued in 1848, commanded a premium of 21 per cent.

"Commercial tonnage of the United States: 1840, 2,180,000; 1850, 3,535,000; 1860, 5,353,000.

"Exports and imports: In 1840, \$239,000,000; 1845, \$231,000,000; 1850, \$330,000,000; 1855, \$536,000,000; 1860, \$762,000,000.

"Increase in shipbuilding: 1842, 129,084 tons; 1845, 146,018; 1850, 272,219; 1855, 583,450.

"Annual increase of railroad construction: 1842, 491 miles; 1845, 256; 1847, 669; 1849, 1,369; 1853, 2,452; 1856, 3,643 miles."

ANOTHER REPUBLICAN STATESMAN.

Mr. Garfield in the House, April 1, 1870 (App. Globe, pp. 271-2), in urging tariff reform, in part, said:

FIRST FURNACE TO REDUCE ORE ERECTED IN 1846.

"I believe that the first furnace in the United States which reduced ore with raw bituminous coal was established in Mahoning County, Ohio, in 1846. From that time, year by year, with some interruption, there has been an increase in the number of furnaces. In the year 1856, the Lake Superior ore was brought down to the Ohio coal region, and now there come down the Northern Lakes, as

has been shown by the gentleman from Michigan, about 500,000 tons per annum of Lake Superior ore; and more than one-fourth of the whole amount is every year consumed in two counties of my Congressional district."

In the same speech, p. 272, he states that:

"The tariff act of 1842 was adopted, by which the rate of duty was raised and fixed at an average of 33 per cent.

"In 1845, the Free Trade Party having again come into power, a heavy reduction of the tariff was made in 1846, and the rate pushed down to an average of 24½ per cent."

He further states:

"That the Tariff Act of 1847," enacted by all political parties, "reduced the rate of duty to 24¼ per cent., a lower rate than it had reached in 40 years. * * *

"In the year 1861 marked a new era in the history of the tariff. In the winter of 1860-61 the rates were again raised. From the second of March, 1861, to the present time (1870) there had been thirteen separate tariff acts and revolutions, all of which have more or less increased the rate of duty, and it now averages about 47½ per cent. on dutiable articles and 41 per cent. on all our imports, both dutiable and free."

REASON FOR ABANDONING THE VERY LOW TARIFF OF 1857 AND RAISING THE RATES.

"That these acts were made necessary by the war few will venture to deny. It is also undeniable that the heavy internal taxes imposed upon the manufacturing industries neutralized the effect of protective duties and made an increase of the tariff necessary as a measure of compensating protection.

"But as I have already shown, the heaviest burdens of internal taxes have been removed from manufacturers and a demand that some corresponding reduction in the tariff rate shall be made is coming up from all quarters of the country. The signs are unmistakable that a strong reaction is setting in against the prevailing rates, and he is not a wise legislator who shuts his eyes to the fact of the situation."

GARFIELD FOR ULTIMATE FREE TRADE.

In concluding his speech, he quoted from a former address in this House in 1866, in which he said:

"I am for a protection which leads to ultimate free trade. I am for that free trade which can only be achieved through a reasonable protection."

Mr. Henry Loomis Nelson was Secretary to the Hon. John G. Carlisle while Speaker of the House. On July 4, 1884, Mr. Carlisle addressed him a letter, in part saying this:

"Learning that you have prepared and propose to publish a volume containing a condensed statement of the arguments in opposition to the protective system in favor of a revenue tariff, I desire to say," etc., commending Mr. Nelson for his undertaking. By far, his is the most complete presentation of the operations of the low tariff of 1846 and 1857, which is herewith, in part, presented:

WHAT A LOW TARIFF DID FOR THE COUNTRY.

Between 1846 and 1860 the country had a low tariff. Under the law of 1846 the average duty was about 25 per cent., and under the act of 1857 it was about 20 per cent. There was never a period of greater prosperity in the history of the country.

In 1850 the cash value of the farms was \$3,271,575,426, and in 1860 it was \$6,645,045,057, an increase of 103 per cent. In 1870 the value of farms was \$9,262,853,861 in currency, an increase of only 39 per cent. over the gold valuations of 1860. In 1880 the value of farms was \$10,197,096,766, an increase of a little more than 10 per cent. over the valuations of 1870. From 1850 to 1860 the value of farming implements increased 63.50 per cent. In the next decade the increase was only 36 per cent. in currency, while from 1870 to 1880 the increase was only 20.66 per cent.

SOME NOTABLE COMPARISONS.

From 1830 to 1840 the aggregate of real and personal property increased 40 per cent.; from 1840 to 1850 37 per cent. In 1850 this aggregate value was \$7,135,780,228; in 1860 it was \$16,159,616,068, an increase of 126 per cent. In 1870 the aggregate value was \$30,068,518,507 in currency, being an apparent increase of a little more than 85 per cent. In 1860 the total State and local taxation was \$94,186,746, but in 1870 it had reached the enormous sum of \$280,591,521, an increase of 198 per cent., although the value of property had increased only 85 per cent. An examination of the report of the Superintendent of the Census for 1870 shows that the increase in the value of real and personal property from 1850 to 1860 was more than 184 per cent., instead of 126 per cent., and that instead of an increase of 85 per cent. from 1860 to 1870 there was an actual decrease of more than 3 per cent. This arises from what the Superintendent says was an undervaluation of property in 1860 by carelessness of from 20 to 80 per cent., while the nominal valuation of property was increased in 1870 from 30 to 40 per cent. through the effects of currency inflation and other causes. Making the necessary allowances for these sums, we have \$20,199,520,085 as the proper valuation for 1860 and \$19,544,537,030 as the true valuation for 1870. If our wealth had increased from 1860 to 1880 at the same rate that it did from 1850 to 1860, it would have reached, in 1880, \$83,000,000,000, instead of \$43,500,000,000.

LOW TARIFF INCREASES MANUFACTURING.

There was some wonderful increases in our manufacturing and mechanical industries. In 1850 the total value of the products of mechanical and manufacturing industries was \$1,019,106,616; in 1860 it was \$1,885,861,676, an increase of 87 per cent., although the population of the country had increased only 35.50 per cent. From 1860 to 1870 the actual increase was only 52 per cent.

PRODUCTION OF COAL INCREASED.

The increase in the production of coal, which, according to the protection leaders, indicates better than any other single branch of industry the progress of all manufacturing enterprises, was very wonderful between 1850 to 1860. The following table shows the increase:

	Per Cent.
Gain in number of mines.....	22.30
Gain in value of yearly products.....	182.00
Gain in value of material used.....	1,017.00
Gain in amount paid as wages.....	137.00
Gain in number of hands employed.....	143.33
Gain in amount of capital invested.....	253.00

COAL OUTPUT IN PENNSYLVANIA INCREASED.

In Pennsylvania the capital invested in the production of coal was 331 per cent. greater in 1860 than in 1850, and the value of the coal product increased 179.90 per cent. In Maryland the increase was nearly 137 per cent., in Ohio nearly 127 per cent., in Indiana nearly 652 per cent., in Illinois it was 1,708 per cent., in Iowa it was 2,204 per cent., in Kentucky it was 200 per cent., and in Alabama nearly 237 per cent.

HIGH TARIFF KILLED SHIPBUILDING.

During the fiscal year our foreign trade amounted to \$687,372,176, which was \$45,000,000 greater than ever before. We built 2,265 ships and barks between 1850 and 1860, and only 800 during the next decade, and only 608 between 1870 and 1880. Then our tonnage engaged in all trades, coasting as well as foreign, was 5,353,868 tons; now, after the expiration of twenty years, it is 4,068,035 tons.

REVENUE TARIFF PROMOTES INTELLECTUAL CONDITIONS.

The social and intellectual condition of the people kept pace with the material progress. Schools, churches and libraries flourished. The products of the printing establishments of the United States increased during the same time 143 per cent. Wonderful as this is, it does not tell the story of the prosperity and growth of the preceding decade under a revenue tariff. Then the products of the printing houses increased 168 per cent., while the capital invested increased 235 per cent. In New England the increased product was more than 96 per cent., and in the Middle States 139 per cent. Pennsylvania increased her product 250 per cent., New Jersey 322 per cent. In the eleven Western States and Territories the increase was 572 per cent. The State of New York increased 104.60 per cent., and actually turned out more than the whole country produced in 1850.

POSTOFFICES INCREASED.

In 1850 we had 18,417 postoffices and 178,672 miles of post routes, but in 1860 we had 28,498 postoffices and 245,594 miles of post routes, an increase of 55 per cent., in the number of offices and 35 per cent. in the miles of routes. In 1880, twenty years later, we had 42,989 postoffices and 343,888 miles of post roads, being an increase since 1860 of only 50 per cent. in one and 42.50 in the other.

MANUFACTURE OF PAPER INCREASED.

In the manufacture of paper the United States increased the value of its product 106.50 per cent. from 1860 to 1870, while the capital invested increased 126.50 per cent., but from 1850 to 1860 the value of the product increased more than 108 per cent. and the capital invested nearly 180 per cent. The increase in the number of hands employed was 73.50 per cent., and in the total amount of wages paid 89 per cent. Pennsylvania alone increased her product 128 per cent.

HOW RAILROAD BUILDING FLOURISHED.

Up to the year 1850 we had constructed only 9,021 miles of railroad in this country, but at the close of 1860 we had 30,635 miles, being an increase of 239.5 per cent. in ten years. At the close of the year 1870 we had 52,914 miles, being an increase of a little more than 72 per cent. over 1860, notwithstanding the Government had since 1860 granted millions of acres of public lands and issued its own bonds to the amount of millions of dollars to various railroad companies to aid in the construction of their lines. In 1880 we had 88,237 miles, an increase of 66.66 per cent. during the decade.

LABOR AND WAGES INCREASED.

The value of the output of our woolen mills from 1850 to 1860 increased nearly 42.5 per cent., while from 1870 to 1880 it increased only 22.57 per cent. The number of hands employed increased 18.5 per cent. and the total wages increased 36.8 per cent. In New England the product of the woolen mills increased 62 per cent.; the increase in Rhode Island being 176 per cent.; Massachusetts, 53.7 per cent.; New Jersey, 21.57 per cent.; Vermont, 61.39; Maine, 83.46.

CARPET MANUFACTURING INCREASED.

The value of the carpet manufacturers increased 45.40 per cent. The increase in the number of hands employed was 8 per cent. and in wages paid nearly 24 per cent. The compensation of each hand was 15 per cent. more in 1860 than in 1850. In the Middle States the value of the product increased 80.90 per cent.; in Maine, 47.30; Massachusetts, 44.80; New York, 32.90; Pennsylvania, 138; Ohio, 208.

The product of the manufacturers of hosiery increased 608 per cent. The Eastern States increased 481 per cent.; Middle States, 695.50; Western States, 445. Pennsylvania increased 276 per cent.; Connecticut, 523; New Jersey, 379; Massachusetts, 373; Maryland, 255; Ohio, 278; Missouri, 726.

REVENUE TARIFF PROMOTES IRON PRODUCTION.

The production of iron ore increased 79.20 per cent, while the capital invested increased 126.30 per cent. The total number of hands employed in this industry was 45 per cent. greater in 1860 than in 1850, and the total amount of wages paid was nearly 57 per cent. greater.

PENNSYLVANIA SHARED WELL.

The production of pig iron increased 54 per cent. in the United States; in Pennsylvania, 82 per cent.; New Jersey, 105; Kentucky, 27; New York, 53. At the same time the price of pig iron was reduced from \$23.43 in 1850 to \$21.13 in 1860.

The increase in the value of bar, sheet and railroad iron was more than 100 per cent. The number of hands employed increased 66 per cent., and the amount of wages paid 80 per cent. Pennsylvania increased her production 106 per cent.; Delaware, 230; Maryland, 104; Ohio, 173; Kentucky, 68; Virginia, 104.

Iron castings increased in the value of the product 74.80 per cent.; in the Middle States, more than 100 per cent.; in Pennsylvania, 100 per cent.; in Maine, more than 520 per cent.

In the production of hardware there was an increase of 56.70 per cent., while the capital increased 90 per cent., and the number of hands employed 53.50 per cent. The New England States increased 100 per cent. and made more hardware in 1860 than all the States made in 1850. Connecticut alone increased her production 103.80 per cent.; New Jersey, 360; Ohio, 99; the Western States, 74 per cent.

STEEL INDUSTRY BORN UNDER THE REVENUE TARIFF.

The steel industry had its birth during the decade from 1850 to 1860. The product increased 99.5 per cent.; capital invested, over 3,000; hands employed, 1770; wages paid, 123.6.

In the manufacture of machinery, steam engines, etc., including locomotives, hay and cotton presses and cotton and woolen machinery, the value of the product increased 66.6 per cent. in the whole country, but in the Western States the increase was 217 per cent.

The manufacture of sewing machines was scarcely known in 1850, but in 1860 the value of the product was \$4,247,820.

VOTES ON TARIFFS, 1789 TO 1883.

A.—Table showing the votes, by States, given in the House of Representatives on the passage of each of the general tariff acts since that of 1789 to 1883.

States.	1790.		1791.		May 2, 1792.		Mar. 3, 1797.		May 26, 1804.		July 1, 1812.		Apr. 27, 1816.		May 22, 1824.		May 29, 1828.	
	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.
New England States:																		
Maine															1	6		7
New Hampshire.....	2	1	3		2	1	4		3		3		1	3	1	5	4	2
Vermont					1	1	2		3		3		1	5	1	5	5	
Massachusetts		6	8		6		10	1	12		2	13	7	4	1	11	2	11
Connecticut	3	2	5		4		6		3			6	2	2	5	1	4	2
Rhode Island.....			1		1		1	1	2			2	2		2		1	1
Middle States:																		
New York.....	4	1	4	2	4	2	7	1	8		5	9	20	2	26	8	27	6
New Jersey.....	2		4		3		4		5		5		5		6		5	
Pennsylvania	7		3	3	5		5	7	15		16	2	17	3	24	1	23	
Delaware	1		1		1			1				1			1		1	
Maryland	3	2	1	3	3	3	5	2	6		5	3	2	5	3	6	1	5
West Virginia.....																		
Western and North-western States:																		
Ohio									1		1		4		14		13	
Indiana															2		3	
Illinois															1		1	
Michigan																		
Wisconsin																		
Minnesota																		
Iowa																		
Missouri															1			1
Kansas																		
Nebraska																		
Colorado																		
Southern and South-western States:																		
Virginia	7		4	4	3	5	9	5	17		14	7	7	13	1	21	3	15
North Carolina.....	5			4	1	4	5	2	9		6	3		11		13		13
South Carolina.....	2	1	1	2	3	2	3	1	5		6	1	4	3		9		8
Georgia	3			3		2	2		2		3		3	3		7		7
Alabama																3		3
Mississippi																1		1
Florida																		
Louisiana														1		3		3
Texas																		
Arkansas																		
Kentucky						2		5		4		6	1	11		12		
Tennessee						1		2		3		3	2	2	7		9	
Pacific States:																		
California																		
Oregon																		
Nevada																		
Total.....	39	13	35	21	37	20	66	21	98		76	48	88	54	107	102	105	94

A.—Table showing the votes, by States, given in the House of Representatives on the passage of each of the general tariff acts since that of 1789.—Continued.

States.	July 14, 1832.		Feb. 26, 1833.		1842.		1846.		1857.		Mar. 2, 1861.		Aug. 5, 1861.		Dec. 24, 1861.		July 14, 1862.	
	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.
New England States:																		
Maine	6	1	6	1	4	2	5	1	6	..	3	..	5	..	6	..	6	..
New Hampshire.....	5	..	4	1	..	4	3	1	2	1	2	..	..	1	1	..	2	..
Vermont	..	3	..	5	4	..	..	2	..	3	3	..	3	..	3	..	2	..
Massachusetts	4	8	..	13	10	1	..	9	9	..	9	..	8	1	9	..	7	..
Connecticut	2	3	..	6	6	..	1	4	..	4	4	..	1	2	1	..	1	1
Rhode Island.....	..	2	..	2	2	..	..	2	1	1	2	..	1	1	..	1	1	..
Middle States:																		
New York.....	27	2	11	19	23	8	15	14	15	10	18	6	25	2	20	1	13	4
New Jersey.....	3	3	..	6	6	..	..	6	2	1	4	..	3	1	1	..	..	3
Pennsylvania	14	12	4	21	20	..	2	23	3	15	22	..	14	6	9	1	13	5
Delaware	..	1	..	1	1	..	..	..	..	1	..	1	..	1	..	..	..	..
Maryland	8	..	9	..	4	2	1	1	4	1	..	2	..	3	3	1	..	3
West Virginia.....	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Western and North-western States:																		
Ohio	13	..	7	6	8	6	11	8	5	15	13	..	10	10	8	6	7	5
Indiana	3	..	2	1	3	3	5	2	3	8	5	3	2	5	5	5	5	2
Illinois	1	..	1	..	1	2	5	..	3	4	3	3	2	3	3	4	3	3
Michigan	..	..	..	..	1	..	3	..	1	3	..	4	..	2	..	2	..	..
Wisconsin	..	..	..	..	..	..	..	..	1	..	1	1	1	..	1	1	1	..
Minnesota	..	..	..	..	..	..	..	..	..	2	..	..	2	1	1	2	..	..
Iowa	..	..	..	..	..	..	..	1	..	..	..	1	..	..	..	1	..	..
Missouri	1	..	1	..	2	5	..	..	3	..	5	1	2	1	1	1	1	1
Kansas	..	..	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..	..
Nebraska	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Colorado	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Southern and South-western States:																		
Virginia	11	8	20	1	3	17	13	1	13	..	8	1	1	3	..	..	1	..
North Carolina.....	8	4	13	..	..	10	7	3	6	..	1	6	..	..	..	..	..	..
South Carolina.....	3	6	9	..	..	5	7	..	4	..	..	..	..	..	..	..	..	..
Georgia	1	6	6	..	1	7	5	2	4	..	..	..	..	..	..	..	..	..
Alabama	2	1	3	..	..	4	7	..	7	..	..	..	..	..	..	..	..	..
Mississippi	1	..	1	..	..	3	4	1	4	..	..	..	..	..	..	..	..	..
Florida	..	..	..	..	..	..	1	..	1	..	..	..	..	..	..	..	..	..
Louisiana	1	2	3	..	2	1	3	1	4	..	..	..	..	..	..	..	..	..
Texas	..	..	..	..	..	2	..	2	..	..	..	..	..	..	..	..	..	..
Arkansas	..	..	..	..	1	..	..	1	..	..	..	..	..	..	..	..	..	..
Kentucky	9	3	12	..	4	8	4	6	7	2	4	1	..	7	..	6	..	5
Tennessee	9	..	8	1	..	13	5	6	7	..	2	6	..	..	1	..	..	2
Pacific States:																		
California	..	..	..	..	..	..	..	2	..	..	1	..	..	..	..	..	2	..
Oregon	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	1	..
Nevada	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Total.....	132	65	119	85	103	99	114	93	118	72	102	43	82	48	76	29	69	36

A.—Table showing the votes, by States, given in the House of Representatives on the passage of each of the general tariff acts since that of 1789—Continued.

States.	June 30, 1864.		Mar. 3, 1865.		July 28, 1866.		July 14, 1870.		June 6, 1872.		Feb. 8, 1875.		Mar. 3, 1875.		Mar. 3, 1883.	
	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.	Yea.	Nay.
New England States:																
Maine	3	...	3	...	3	...	4	...	4	...	2	...	3	...	4	1
New Hampshire.....	2	1	2	1	3	...	2	...	3	...	2	1	2	1	3	...
Vermont	3	...	3	...	3	...	3	...	2	...	2	...	1	1	3	...
Massachusetts	8	...	7	...	10	...	8	...	7	1	7	...	8	1	9	...
Connecticut	1	...	2	1	2	...	3	...	3	1	3	...	2	2	3	...
Rhode Island.....	1	...	2	...	2	...	...	...	2	1	...	...	1	...	2	...
Middle States:																
New York.....	14	2	10	12	16	5	16	10	18	5	15	8	13	6	21	8
New Jersey.....	1	1	...	4	1	3	2	2	2	2	5	1	5	2	7	...
Pennsylvania	15	...	19	1	19	2	19	4	3	20	18	5	21	5	20	5
Delaware	1	...	1	...	...	...	...	...	1	...	1	...	...	...	...	1
Maryland	1	...	2	...	1	4	...	3	3	1	2	3	1	3	...	6
West Virginia.....	...	...	2	...	3	...	2	...	3	...	...	2	1	2	1	2
Western and Northwestern States:																
Ohio	4	9	3	9	15	3	13	2	5	11	13	8	10	10	7	11
Indiana	2	4	2	4	...	7	5	3	11	...	10	3	4	5	8	5
Illinois	3	3	4	5	...	12	11	2	13	...	7	7	2	12	13	5
Michigan	4	...	3	1	4	...	5	...	2	4	7	...	8	1	8	1
Wisconsin	2	2	3	2	2	...	5	1	4	2	5	1	6	1	6	2
Minnesota	1	...	1	...	1	1	2	...	1	1	1	2	1	2	3	...
Iowa	6	...	5	...	2	3	5	...	6	...	5	2	5	3	7	1
Missouri	5	...	6	1	2	3	8	...	9	...	13	2	11	4	8	...
Kansas	1	...	1	...	1	...	1	...	1	...	2	1	2	1	3	...
Nebraska	...	...	...	...	...	...	1	...	1	...	1	...	1	...	1	...
Colorado	...	...	...	...	...	...	...	...	...	...	...	...	...	...	1	...
Southern and Southwestern States:																
Virginia	...	...	...	...	...	...	5	1	6	...	3	4	1	7	3	4
North Carolina.....	...	...	...	...	...	...	1	...	5	...	1	5	...	4	1	6
South Carolina.....	...	...	...	...	...	...	1	...	2	1	4	1	4	...	2	3
Georgia	...	...	...	...	...	...	...	...	6	...	2	5	1	5	1	7
Alabama	...	...	...	...	...	...	1	4	5	...	1	3	3	3	1	4
Mississippi	...	...	...	...	...	...	4	...	2	3	3	1	3	1	1	4
Florida	...	...	...	...	...	...	1	...	1	...	...	...	...	1	1	1
Louisiana	...	...	...	...	...	...	2	...	2	...	2	...	5	...	...	5
Texas	...	...	...	...	...	...	3	1	4	...	...	6	...	6	...	5
Arkansas	...	...	...	...	...	...	3	...	...	...	3	1	1	1	...	3
Kentucky	...	4	...	2	1	6	5	1	6	3	...	10	...	10	1	8
Tennessee	...	...	...	...	...	...	8	...	7	1	4	6	4	5	4	7
Pacific States:																
California	3	...	3	...	1	...	2	1	1	1	4	...	2	2	2	2
Oregon	...	...	1	...	2	...	...	...	1	...	...	...	...	...	1	...
Nevada	...	...	...	...	1	...	1	...	1	...	...	...	...	...	...	1
Total.....	81	26	85	43	95	49	152	35	149	61	136	99	123	114	152	116

NOTE—On the passage by the House of Representatives of the act of May 1, 1872, placing coffee and tea on the free list, there were but 9 negative votes, viz: Maryland, 2; Texas, 1; Arkansas, 1; Nevada, 1; Kentucky, 2; Missouri, 1; Pennsylvania, 1.

AVERAGE DUTY FROM 1821 TO 1861.

Date of Tariff	Time of Operation Years.	Dutiable Imports	Gross Revenue	Average Duty Per cent.
Previous to 1821.....	4	\$264,962,457	\$90,436,612	34 $\frac{1}{2}$
May 22, 1824.....	4	301,538,885	115,597,942	38 $\frac{1}{2}$
May 19, 1828.....	4	297,332,015	122,015,500	41 $\frac{1}{2}$
July 14, 1832.....	9	625,836,002	198,263,107	31 $\frac{1}{2}$
Sept. 11, 1841.....	1	69,534,601	16,622,746	23 $\frac{1}{4}$
Aug. 30, 1842.....	4	295,178,151	97,109,442	33
Aug. 30, 1846.....	10	2,173,428,818	523,957,872	24 $\frac{1}{2}$
May 3, 1857 (to 1861)	3	741,213,216	144,542,956	20 $\frac{1}{4}$
Total.....	39	\$4,709,024,145	\$1,308,546,177	29

(Ex. Doc. No. 2, Senate 39th Con., 2d Sess. Submitted by David A. Wells, Spec. Com'r Revenue.)

Average rate of duty collected *per capita* for the periods named was:

Tariff 1846 to 1857 (both inclusive)	1.88 $\frac{1}{4}$
“ 1858 to 1860 “ “	1.56
“ 1846 to 1860 “ “	1.81 4-5
“ 1861 to 1864 “ “	1.84 $\frac{1}{2}$
“ 1890 to 1893 “ “	3.16 $\frac{3}{4}$
“ 1894 to 1897 “ “	2.18 $\frac{1}{4}$
“ 1898 to 1905 “ “	2.96 $\frac{1}{4}$

By taking the average annual duty collected per capita (as published in a table contained in the speech of the Hon. James T. McCleary (Rep.), Record, August 22, 1906) and dividing the sum thereof by the number of years, we get the results just stated.

The duty collected per capita, Dingley Tariff, 1905, was \$3.11. (Representative McLeary's speech.)

MORE REPUBLICANS COMMEND TARIFF, 1846.

Senator Allison, urging tariff reform in 1870, commended the Walker tariff. He said:

“It is claimed that the high rates of our present tariff are necessary because the revenue to be obtained therefrom is essential to the Government, and that if we reduce the rates at all the effect will be the depression of all the industrial interests of the country.

“The tariff of 1846, although confessedly and professedly a tariff for revenue, was, so far as regards all the great interests of the country, as perfect a tariff as any that we have ever had. If any interest was depressed under the tariff of 1846, it was the iron interest.

INCREASE OF WEALTH.

“I do not believe that this interest, as compared with other interests, had sufficient advantage under that tariff; yet when we compare the growth of the country from 1840 to 1850 with the growth of the country from 1850 to 1860, the latter decade being entirely under the tariff of 1846 or the amended and greatly reduced tariff of 1857, we find that the increase in our wealth between 1850 and 1860 was equivalent to 126 per cent., while it was only 64 per cent. between 1840 and 1850, four years of which decade were under the tariff of 1842, known as a high protective tariff, but the average rate of which was about 70 per cent. below the existing rate, or 27 per cent. under the tariff of 1842, as against 44 per cent. upon all importations under the present tariff. Our industries were generally prosperous in 1860, with the exception, possibly, of the iron industry.

“This was the statement of Mr. Morrill, of Vermont, on this floor during the discussions of the tariff in 1864.

"With regard to the condition of the steel industry in 1860, the steel manufacturers in 1866, memorializing Congress for increase of duties on steel, stated that 'it was reserved to Pittsburg to bring about the first substantial and enduring success in the year 1860; and, encouraged by our example, numerous establishments have sprung into existence, as already indicated in this paper.'

"This shows that under the revenue tariff of 1857, which imposed only an ad valorem duty of 12 per cent. on steel, a substantial success was achieved in the steel manufacture in 1860. I have read the language of the memorial."

NEW ENGLANDERS CHANGE FROM HIGH TO LOW TARIFF.

The New England members of both houses, as a rule, had voted for the high tariff of 1842, opposed the revenue tariff of 1846, but realizing its beneficial effects, and desiring to lessen the accumulation of the peoples' money in the Treasury, all three of the political parties voted for the much lower tariff, the Act of 1857, entitled: "An Act reducing the duty on imports and for other purposes," about which Senator Wilson, of Massachusetts, said:

SENATOR WILSON.

"In closing, Mr. Chairman, the remarks I have felt it my duty to submit to the Senate and the country that the commonwealth I represent on this floor—I say in part for my colleague, Mr. Sumner, after an enforced absence of more than nine months, is here tonight to give his vote, if he can raise his voice, for the interest of his State—has a deep interest in the modification of the tariff of 1846 by this Congress. Her merchants, manufacturers, mechanics and business men, in all departments of a varied industry, want action now before the Thirty-fourth Congress passes away. They are for the reduction of the revenue to the actual wants of an economical administration of the government; for the depletion of the Treasury, now full with millions of hoarded gold; for a free list, embracing articles of prime necessity we do not produce; for mere nominal duties on articles which make up a large portion of our domestic industry, and for such an adjustment of the duties on the productions of other nations that come in direct competition with the product of American capital, labor and skill and shall impose the least burdens on that capital, labor and skill."

PANIC OF 1857 WAS FINANCIAL AND BRIEF.

About the operations of the tariff of 1857, Mr. Edward Atkinson, of Massachusetts, before the Industrial Commission, 1901, said:

"I then come down to the tariff of 1857, the lowest ever known in this country, with the largest free list. The period from 1857 to the beginning of the Civil War saw the most steady and constant development of the textile manufacturers of this country that I have ever known. I do not think there has been any such historical coincidence as you suggest."

Q. "As a matter of history, was not the year 1857 the year of the great panic, from which we never recovered until the outbreak of the war?"

Mr. Atkinson. "It was the year of the great bank panic, in which two of the commission houses to which my goods were consigned suspended payment. That lasted but a few months and was purely a financial panic. It did not interfere with the progress of arts and industries, and in 1858 great prosperity had returned.

"We were building the Lewiston mills and the Indian Orchard mills, and I was familiar with the whole business. From that time until the beginning of the war we saw the most steady progressive condition of prosperity in the textile art that I have ever known."

The tariff of 1857 having been purposely fixed to *reduce* the revenue, when the Civil War came on, of necessity, the rates had to be *raised* to meet the expenses of that great struggle, and *were raised* by the first act, approved by President Lincoln, August 5, 1861, entitled:

CIVIL WAR TARIFFS TO BE "TEMPORARY."

"An act to provide increased revenues from imports, pay interest on public debts and for other purposes."

The Act of July 14, 1862, was entitled:

"An act increasing, temporarily, the duties on imports and for other purposes."

The Act of April 29, 1864, was entitled:

"Joint resolution to increase, temporarily, the duties on imports."

And Senator Morrill, in explaining the Act of June 30, 1864, the main war tariff, said:

"This is intended as a war measure, a temporary measure, and we must give it our support as such."

The people generally had become so wedded to the happy effects of the low tariffs preceding the Civil War, that members of Congress had to be assured that these war rates, in effect protective, were to be only "temporary," and hence Senator Morrill spoke as he did.

Senator Henry Wilson, in the Senate, in 1861, said:

TARIFF OF 1857 COMMENDED.

"It is very easy for a gentleman of the Northwest to rise on this floor and talk about protection to Pennsylvania and New England and to say that his people have no protection; but, sir, standing here today, I express it as my deliberate judgment that there are not half a dozen States—and I doubt whether there be among them all one—so little interested in changing the tariff as the State of Massachusetts. I say further, as the representative of that State, I know that in voting for this bill I am voting against the wishes of a large portion of the people of my State, who believe the present tariff better for us than your proposed tariff; and I vote, too, against my own deliberate judgment, for I had rather stand on the tariff of 1857 than take this bill."

Several Senators. "Then, why vote for it?"

Mr. Wilson. "I vote for it to increase the revenues of the Government. * * * I want no man to vote for this bill in order to protect the interests of Massachusetts; for the tariff of 1857, precisely and exactly as it stands upon your statute books today, so far as the productive industry of the Commonwealth of Massachusetts is concerned, in all its various departments, amounting to \$350,000,000 annually, is the best tariff ever put upon the statute books of this country. That is my judgment; and by passing this bill we shall gain nothing as a State. I shall vote for the bill, but *I vote for it to raise revenue; I vote for it as a revenue measure.*"

These "temporary" tariffs were approved by President Lincoln, who was not a "stand patter." As early as February 15, 1861, he said:

"Every varying circumstance will require *frequent* modification as to the amount (of tariff) needed and the sources of supply. So far, there is little difference of opinion among the people."

He approved many different tariff acts.

It was during the operation of these high war tariffs that "protection" took deep root. Special interests grew up and fattened, immense fortunes were amassed, arming individuals with the power to perpetuate highly protective tariffs, against which Jackson, in his farewell address, warned the people in these patriotic words:

PRESIDENT JACKSON'S FAREWELL ADVICE.

The corporations and wealthy individuals who are engaged in large manufacturing establishments desire a high tariff to increase their gains. Designing politicians will support it to conciliate their favor and to obtain the means of profuse expenditure for the purpose of purchasing influence in other quarters. * * * Do not allow yourselves, my fellow-citizens, to be misled on this subject. The Federal Government cannot collect a surplus for such purposes without violating the principles of the Constitution and assuming power which has not been granted. It is, moreover, a system of injustice, and if persisted in will lead to corruption and must end in ruin.

There were few, if any, millionaires and no multi-millionaires, previous to the Civil War, the people generally were prosperous from 1846 to 1860, the low tariff era, but in 1864, President Lincoln had noticed a change had been wrought "as a result of the war," and on November 21, 1864, it is said, he wrote his friend William S. Elkins, of Illinois, the following letter:

PRESIDENT LINCOLN.

Yes, we may all congratulate ourselves that this cruel war is nearing its close. It has cost a vast amount of treasure and blood. The best blood of the flower of American youth has been freely offered upon our country's altar that the nation might live. It has been, indeed, a trying hour for the Republic, but I see in the near future a crisis approaching that unnerves me and causes me to tremble for the safety of my country.

As a result of the war, corporations have been enthroned and an era of corruption in high places will follow, and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until all the wealth is aggregated in a few hands and the Republic is destroyed. I feel at this moment more anxiety for the safety of my country than ever before, even in the midst of war. God grant that my suspicions may prove groundless.

George H. Shibley's book, "The Money Question," page 232, with this foot note:

The above was published in a collection of Lincoln's sayings, years and years ago, by Mr. Jesse Harper. Mr. Harper is still living, and is a respected citizen of Danville, Ill.

WHEN TRUSTS AND COMBINATIONS STARTED.

Senator Sherman, March 24, 1890, said:

"We know that within *twenty years*, for the *first time in the history of our country*, combinations have been made, involving from eighty to one hundred million dollars, combinations so strong that it is impossible for any other combination to compete with them, combinations so powerful and exclusive as to reach every branch of trade and business in the United States. This has been going on during that time." (21, Cong. Rec., 2568.)

Senator Edmunds, March 27, 1890, in the same debate, said:

"These great monopolies * * * have come up mainly in the last twenty or thirty years."

REPUBLICAN TARIFF CHANGES.

Until the Republicans and their side partners, the protected monopolists, succeeded in securing the enactment of a tariff law that gives them practically control of the American market, by prohibiting competition from abroad on all articles of domestic manufacture, they did not regard tariff schedules as sacred as they do today. As showing the Republican record in this particular, the following list of acts from an official document issued by a Joint Congressional Committee in 1898 convicts the Republican party of conspiracy with the protected monopolists to continually tinker the tariff in their interests. The acts are as follows:

- Act of March 2, 1861.
- Act of August 5, 1861.
- Act to increase the duties on tea, coffee and sugar, December 24, 1861.
- Act of July 14, 1862.
- Act of March 3, 1863.
- Joint resolution of April 29, 1864, temporarily increasing duties.
- Act of June 30, 1864, to increase duties.
- Act of March 3, 1865, amending certain acts imposing duties on imports.
- Act of May 16, 1866, imposing duties on live animals.
- Act of June 1, 1866, to protect lumbermen.
- Act of July 28, 1866.
- Act of March 2, 1867.
- Act of March 22, 1867.
- Joint resolution of March 2, 1867.
- Act of March 25, 1867.
- Act of March 26, 1867.
- Act of March 29, 1867.
- Act of February 3, 1868.
- Act of February 19, 1869.
- Act of February 24, 1869.
- Act of July 14, 1870.
- Act of December 22, 1870.
- Act of January 30, 1871.
- Act of March 5, 1872.
- Act of April 5, 1872.
- Act of May 1, 1872.
- Act of June 6, 1872.
- Act of June 10, 1872.
- Act of March 3, 1873.
- Act of May 9, 1874.
- Act of June 3, 1874.
- Act of June 18, 1874.
- Act of June 22, 1874.
- Another act of the same date.
- Act of February 8, 1875.
- Act of March 3, 1875.

On March 4, 1875, the Republican party lost control of legislation, and did not regain it until March 4, 1881. Then it resumed business for two years, as follows:

- Joint resolution of March 11, 1882.
- Act of May 4, 1882.
- Act of December 23, 1882.

Act of March 3, 1883.
Another act of the same date.

On March 4, 1883, the Republican party lost control of legislation until March 4, 1889, when it resumed business again, with the following result:

Act of February 18, 1890.
Act of June 10, 1890.
Act of October 1, 1890 (the McKinley law).
Act of December 15, 1890.
Act of March 3, 1893.

Again the Republican party lost control of legislation, but resumed on March 4, 1897, with these results:

Act of July 24, 1897 (the Dingley law).
Another act of the same date.

Thus it appears that in forty-five years the Republicans have changed or revised the tariff law forty-eight times. Deducting from forty-five years the sixteen years that the Republicans have not controlled legislation, shows that in twenty-nine years they tinkered with the tariff forty-eight times or an average of nearly once every seven months.

But at last the Republicans and their allied friends and providers of fat campaign barrels, the protected monopolists, having secured a measure that has so fostered and fattened the corporations that they are quite willing to stand pat, especially as they have succeeded in defeating the reciprocity treaties, to provide for which the tariff schedules were *purposely* increased 20 per cent. *beyond* the rates that the *protected* monopolists named as *sufficient* to protect them from *competition*.

Hence the people are now burdened with this extra rate plus a revenue and a protective rate—three all told.

THE TARIFF LAW OF 1897—KNOWN AS THE DINGLEY TARIFF.

The present tariff law of 1897 is the most nearly prohibitive of any such fiscal legislation in existence, except perhaps the new German maximum tariff rates, which are intended to prohibit other countries from competing in the German market, or to compel reciprocal concessions for German products in foreign markets. The facts about that law and the negotiations between the United States and Germany will be found on another page.

WHEN REPUBLICANS FRAME TARIFFS, DEMOCRATS ARE EXCLUDED.

When the Republican members of the Committee on Ways and Means in 1897 undertook the work of revising the tariff, they carefully excluded the Democratic members from participating, by holding their meetings at the Arlington Hotel. Notices were sent to most of the great industrial firms and corporations—many of whom were trusts—that if they would submit schedules covering their particular industry, such schedule would be carefully considered. The result was that the hotel was for months

crowded with manufacturers, agents and attorneys representing special industries; and the committee incorporated in the present law the schedules they proposed, with but few changes.

HOW THE TARIFF RATES WERE INCREASED.

President McKinley was, of course, very much interested in the bill; and before it was acted upon by the full committee, it was submitted for his inspection. He demanded that a reciprocity clause with 20 per cent. concession be added, to allow reciprocity treaties with foreign nations to be negotiated; so that the drastic prohibitive rates might be modified with those nations who were willing to make similar reductions on exports from this country.

The ultra-protectionists who controlled a majority of the committee demurred to this proposition. But one of the arch fiends of protection was equal to the occasion, and proposed that a general increase of 20 per cent. on the rates on manufactured goods be added to the rates already agreed on, and that the reciprocity feature, sections 3 and 4, then be added. That is practically how the Dingley bill rates became so exorbitant, and virtually led to the swifter organization and sheltering of the industrial trusts that now monopolize the output, and control the price of about all the necessities of life. The people who were to pay the taxes had no advocates there to defend their interests for, as previously stated, the Democratic members of the committee were excluded from participating. After the bill had been completed a meeting of the whole committee was called together, and the bill was ordered reported by a party vote. A special rule was reported by the Committee on Rules, the debate limited to the least possible time; and the bill was passed.

TARIFF RATES 100 PER CENT. OR MORE.

As it is impossible to publish the whole tariff bill in this book on account of the space it would occupy, there will be found in the Appendices the Recapitulation of dutiable articles imported into the United States upon which 100 *per cent.* or *more duty* was paid during the year ending June 30, 1905.

This recapitulation is taken from the report of the Bureau of Statistics of the Department of Commerce and Labor entitled: "Imported Merchandise Entered for Consumption in the United States and Duties Collected Thereon, 1905." Following that will be found a list of the principal articles of general consumption on which less than 100 per cent. was collected, taken from the same official report. Following that will be found the "free list." It should be noted that every article not named in the free list is dutiable, although not specifically included in the various schedules, for section 7 of the tariff act provides that: All articles not enumerated in the bill are taxable at the same rate as similar articles, and when composed of two or more materials, shall pay the rate levied on the article which it most resembles, paying the highest rate of duty. That is called the blanket clause so that nothing can escape paying duty unless it is on the free list.

RECIPROCITY DEFEATED.

Immediately after the passage of the Dingley bill, there was a general trend towards monopoly by the favored interests, and the organization of trusts and combines at once began. The only fear was the reciprocity features of the law which, if put in effect, would cut down trust profits 20 per cent. on such articles as were included in reciprocity treaties and in the case of some products would induce large importation, unless the monopolists would be willing to reduce their prices below the price of foreign goods.

President McKinley, in good faith, appointed J. A. Kasson to negotiate reciprocity treaties; and he successfully did so with several nations. These treaties had to be ratified by the Senate (then, as now, Republican) which requires a two-thirds vote. The protected monopolists were powerful enough to prevent the ratification of those treaties through their friends, the Republican Senators; *so the tariff rates are still in force at 20 per cent. above what was originally declared by the protected interests themselves as sufficient for them to control the home market.*

THE TRUSTS RAISE PRICES.

The defeat of the reciprocity treaties gave a new impetus to trust organization; and at once prices began to rise on manufactured products.

SHAW LETS THE CAT OUT OF THE BAG.

That the protective tariff is the mother of trusts has been admitted by the highest authority in the United States on financial matters as will appear from the following extract from a speech of Secretary of the Treasury Shaw, made August 19, 1905, at Morrisville, Vermont. He said:

"The protective tariff is not the mother of trusts, though it is the parent of conditions that makes it profitable for capital to combine."

No President ever required his cabinet officers to be in such close touch with him on all public questions as President Roosevelt, and the speech of his Secretary of the Treasury, from which the above extract was taken, must have come under his notice and had his approval.

Mr. Havemeyer, before the Industrial Commission, said this:

"Without the tariff I doubt if we should have dared to take the risk of forming the trust. It could have been done; but I certainly should not have risked all I had, which was then embarked in the sugar business, in a trust unless the business had been protected as it was by the tariff."

* * * * *

"Steel rails were exported at the time the steel schedule was under discussion. They were being sent to England and Scotland. They can be produced for \$15 a ton; they are worth \$24 a ton. Now, the reason they are worth \$24 a ton is because the people, under the tariff, are mulcted for the difference. I am not talking about things that are ancient history; I am talking about things that exist. I am not talking as to whether 100 per cent. was necessary or not. I am talking about the effect of the tariff today, which is the mother of these trusts which are mulcting the people, and there is not a line of it free from this abuse today."

THE TRUSTS AND COMBINES.

Does the tariff foster the so-called trusts and combinations?

Have these trusts and combines by reason of the shelter of the tariff inordinately advanced the prices of their products?

Do the trusts sell cheaper to foreigners than to our own people?

If the answer to these questions is in the affirmative, there can be no question but that the tariff should be revised.

It has been conclusively shown in the chapter on export prices that the trusts are selling cheaper abroad than here, so that question is answered in the affirmative and need not be further considered.

THE TARIFF FOSTERS TRUSTS.

The evidence is overwhelming that the present tariff law has fostered trusts, as will be seen from the following:

In Moody's Manual of Industrial and Miscellaneous Securities for 1900, an acknowledged authority on the organization of corporations, is given in the preface, pages 51-53, the capitalization of industrial corporations, incorporated prior to January 1, 1898, and from that date to January, 1900, is given as follows:

INDUSTRIAL CORPORATIONS ORGANIZED IN THE UNITED STATES. MANUFACTURING—IRON, STEEL, METALS AND MISCELLANEOUS.

Prior to January 1, 1898, total all states, \$811,161,300. From January 1, 1898, to January, 1900, total all states, \$5,059,309,911. An increase of over 600 per cent. in two years. Do not those figures conclusively show that the Dingley tariff law, fostered trusts, or how can such an enormous increase of those corporations immediately following its enactment, which are protected by the tariff, be explained?

The evidence is irresistible that capital, urged on by trust promoters, seeing the enormous profits possible by the virtual monopoly granted by the tariff law, also saw that if the manufacturing plants in these protected industries could be consolidated under one management and thus prevent competition between them in the United States, that the control of their products and the control of prices was also possible. In fact monopolies could be created and the consumers be plundered. In other words the tariff having, in a great measure, eliminated competition from abroad, through imports, the trusts have also eliminated competition at home through combinations.

In the United States Statistical Abstract, 1905, on page 541, is given the value per capita of the "leading classes of necessary articles of daily consumption from July 1, 1860, to January 1, 1906," from which the following is taken:

	Metals.	Clothing.	Misc.
On July 1, 1897.....	\$11.642	\$13.808	\$12.288
On January 1, 1906.....	17.141	19.313	18.809
Increased cost per capita per cent....	47.	40.	53.

This shows an average increase in prices since the trusts have been organized of about 47 per cent., which is very close to the average rate of duty collected by the Government on all imports for the year 1904, which was 48.78 per cent. But this percentage must not be confounded with the average tax imposed by all the tariff schedules which exceeds 50 per cent. and on manufactured products averages over 70 per cent.

As importers cannot import foreign products without paying freight, costs and import duties, there is nothing to prevent the trusts charging very nearly what the imported goods can be sold for here. All that was necessary was to eliminate competition among the manufacturers in the United States, and that has been accomplished, by the organization of the trusts and combines. That the trusts have thus increased their profits, to a great extent, is shown by the increased price they are obtaining for their products since the present tariff bill became a law in 1897.

Do not these facts and figures answer affirmatively the three questions asked above and can there be any doubt that the passage of the Dingley act not only fostered trusts, but protects them in advancing prices and has allowed them to sell cheaper abroad than at home. Therefore why should the present tariff law not be revised to at least the extent of reducing the trust protection so that resumption of a healthy competition from abroad will compel a reduction of trust prices on necessities?

TRUSTS INCORPORATED AND UNINCORPORATED.

All the trusts are not incorporated companies; there are innumerable price and rate-fixing agreements, profit-sharing pools, selling or buying agencies, product restricting agreements, etc., of which the beef trust is a notorious example. There are, however, 287 industrial combinations or trusts incorporated, of which 168 marked in the table of trusts with an X which enjoy direct tariff benefits in more or less degree, and 38 others marked with an asterisk probably receive some benefit from the tariff. The products of most of the remaining trusts are on the tariff list, but their protection is more or less nominal. Of this list 21 derive their monopoly chiefly from patent rights and 28 are based on municipal or other franchises, rights of way, etc., 19 are based on control of coal and other lands, mines, ore deposits, etc., exclusively. The balance of the unprotected trusts have in most cases some other element of monopoly which contributes to their strength. When the element of monopoly is small the general financial standing of the trust is relatively weak in nearly all cases.

The table of trusts in the appendices also includes, besides industrial combinations, the large security holding (but not operating) companies in the gas, electric light, electric and steam railroad industries. Hence a security-holding company, or "trust" such as the Bay State Gas Company, is included in the list, but the Consolidated Gas Company of New York is omitted. The many consolidated transportation and other franchise corporations, not embraced in this list, such as railroad, traction, lighting and water combinations would aggregate in capitalization many

billions of dollars. The list, however, is limited to what are popularly known as "industrial trusts" and are all consolidations or absorptions of one kind or another.

A TYPICAL TRUST.

The United States Steel Corporation is the greatest of all trusts, its total capitalization being approximately \$1,500,000,000. It is a true typical trust, a trust in the original sense of the word, because, as Prof. H. L. Wilgus of the University of Michigan has shown, it holds as a trustee the shares of the various constituent companies and votes for directors of the constituent concerns. Yet this trust has never been prosecuted or disturbed by the administration. Every person in the United States pays tribute to this gigantic corporation, for it controls the price of everything that is manufactured of steel, which everyone is compelled to use.

THE STEEL TRUST ANALYZED.

In Moody's Magazine for September, a reliable financial magazine, there is an article on the steel trust, from which the following is taken:

Before the Carnegie Steel Company became a part of the great Steel Corporation, and while Mr. H. C. Frick had an option on it at about half the price paid by the trust, its net earnings exceeded \$30,000,000 a year. Now we have a single industrial concern with net earnings of over \$40,000,000, not for an entire year, but for a quarter of a year only. Its net earnings for the first half of the present year were \$76,759,523, or at the rate of over \$150,000,000 a year. From this \$76,759,523 was deducted \$3,217,578 for sinking funds; \$9,674,168 for depreciation and reserve funds; \$5,500,000 for a special improvement and replacement fund; \$11,459,833 for interest, and \$23,500,000 for additional construction. The total deductions amounted to \$53,351,579, leaving a balance of \$23,407,944. After paying dividends of \$12,609,838 on the preferred and \$5,083,025 on the common stock, there were left \$5,715,081 of undivided earnings for the half year.

The 1905 report gives in itemized statement of the "Rolled and Other Finished Products for Sale." The total number of tons was 9,226,386. Allowing \$35,000,000 for earnings and sales outside of rolled and other finished products, it would appear that these products sold for \$550,000,000, or an average of \$60 a ton. This is an absurdly high price. Much more than one-third of the total tonnage was sold for less than \$30 per ton. Probably not one-fourth sold for more than \$40, and not one-tenth at more than \$50 per ton. Experienced iron and steel men say that the average price per ton is not much, if any, above \$40. The total gross sales of iron and steel, to outsiders, then, amounted to only about \$400,000,000 in 1905. Adding \$35,000,000 for other possible earnings and sales, we have \$435,000,000, instead of \$585,000,000, as the total of actual gross receipts. Deducting the net profits of \$119,787,658 and the selling and general expenses, and other operating expenses (taxes, \$3,646,489.60), amounting in all to about \$25,000,000, we find that the actual manufacturing and producing cost of the product sold was at a liberal estimate, only about \$300,000,000, instead of \$440,013,432, as stated in the report.

TARIFF PRODUCTS DISGUISED.

Now, if net profits are \$120,000,000 on goods that cost \$440,000,000 to produce, the rate of profit is about 27 per cent. If the goods cost but \$300,000,000, the rate of profit is 40 per cent. on first cost. A profit of even 27 per cent. looks bad enough to a nation that is taxing

itself heavily in order to give a tariff bonus to this profit-earning industry. A profit of 40 per cent. would, if clearly exhibited to the tax-paying people, be likely to prejudice them against this particular protected corporation and, perhaps, to bring the tariff question again into politics. This might result unfortunately for the Steel Corporation and for its good friends, the "stand-patters."

Undoubtedly the real object of padding the sales and costs of steel products is to disguise the tariff profits. That the people will, however, soon take up the tariff question again and that, when they do take it up, they will make trouble for the protected "Steel Trust," is reasonably certain. In fact, the platforms now being adopted in the different States and the speeches being made by leading politicians have an ominous sound to stockholders of this corporation. Apparently this "giant infant" will occupy the center of the stage when the next tariff play is put on at Washington. It is clearly entitled to this pre-eminence. It has probably been more influential in preventing tariff revision, during the last four years, than has any half dozen other corporations.

Those behind the political scenes know that its word has great weight with the Committee on Ways and Means of the House. If the head of this corporation writes a letter to Congressman Dalzell, of the Ways and Means Committee, advising Chairman Payne and the others of the committee not to open up the tariff question for any purpose or in any way, the committee may confidently be expected to "stand pat."

EXPORT PRICES OF STEEL.

With tariff duties removed from "all trust products sold cheaper to foreigners than to Americans," as the politicians put it, the common stock of the Steel Corporation would have value only for voting purposes. That this is true is evident when it is realized that *the tariff profits of this corporation vary from about \$40,000,000 to \$80,000,000 a year*. These may be roughly estimated by the difference between the export and home prices of goods sold. Although, as stated by Chairman Gary to the Committee on Merchant Marine and Fisheries, a few months ago, and as stated in the 1905 report, "the prices received for exports during the year were materially in excess of those previously received and approached more closely domestic prices," yet active iron and steel brokers and jobbers say that the present difference will average about \$5 per ton on all goods sold by the Steel Corporation. They say, however, that export prices are so well covered up, vary so greatly to different countries, and fluctuate so widely and uncertainly from day to day, that but very few persons can estimate the difference closely.

All goods sold abroad are sold through the United States Steel Products Export Company, whose stock is owned by the Federal Steel Company of the Steel Corporation. Much of the business is done through its London office.

On most of the goods sold abroad prices are quoted delivered in foreign ports. This selling company contracts in advance for tonnage on lines going to different foreign countries. Hence it can nearly always quote relatively lower prices delivered in foreign ports than for export from New York. The prices quoted vary with the amount of any particular product to be disposed of abroad and the foreign demand for this product. The prices quoted also depend upon the kind of international agreement existing as to the sale of any particular product in any particular port.

INTERNATIONAL STEEL AGREEMENTS.

For instance, an international agreement exists between the manufacturers of steel rails in the United States, Great Britain, Germany, France and Belgium, which practically reserves the two American continents to our manufacturers, except that, as Canada gives heavy preferential duties to Great Britain, our manufacturers can sell in

Canada only by cutting the English prices 20 or 25 per cent. Virtually the most of the world is divided up between, and partitioned off by, the world's steel rail manufacturers. Hence there is, today, but little competition in the sale of rails in any part of the earth. This is one of the reasons why there is now so little difference between export and home prices—although this difference will still average about \$5 per ton, in the opinion of experts. This is also one of the reasons why Chairman Gary was so anxious to testify as to export prices last spring. Similar international agreements, though, perhaps, less formal and definite, are said to exist between the manufacturers of plates, billets and other products.

ESTIMATE OF TARIFF PROFITS.

As the total sales of iron and steel by the Steel Corporation exceed 9,000,000 tons a year, a difference of *even \$4.50 a ton, between export and domestic prices, amounts to over \$40,000,000. Two years ago the average difference was not much less than \$10 a ton.* Of course, the total sales then were less than now. Even then, the difference, estimated on the total tonnage, was about \$80,000,000. On some products the difference still exceeds \$10 a ton, or $\frac{1}{2}$ cent per pound. The fact that our exports of iron and steel are increasing rapidly indicates that the export business is very profitable. For the year ending June 30, 1906, our exports of iron and steel amounted to 1,330,870 gross tons. The value of exports of iron and steel and manufactures thereof amounted to \$160,984,985, which exceeded the exports of any previous year by more than \$25,000,000. That there is ample margin for profits on steel rails, even at \$23 a ton, is evident from statements made by Mr. Charles M. Schwab, in a letter to Mr. Frick, just before the Steel Corporation was formed, and by statements made when the last quarterly report was made public by the directors of the corporation. Mr. Schwab then said that steel rails cost less than \$12 per ton to produce. Apparently the statement is now informally authorized that the new methods and processes introduced by the Steel Corporation have reduced the cost of making steel \$2 a ton.

FAVORITISM TO FOREIGNERS.

There is no sound economic reason why our manufactured products, and especially those protected by high tariff duties, should be sold cheaper to foreigners than to Americans. Steel is the greatest of all raw materials for manufacturing purposes. Hundreds of important industries consume large quantities of it. A difference of from \$5 to \$10 a ton for steel means the difference between success and failure for many manufacturers. Our manufacturers of machinery, implements and tools are, in equity, entitled to as low prices as are given by our steel manufacturers. Our farmers should pay no more for fence wire, wire nails and tin plate than is paid by their foreign competitors in South America and Australasia. This un-American, suicidal policy has driven hundreds of millions of capital out of this country. It has gone into plants in foreign countries, where our steel and other products can be purchased more cheaply than in our own markets. President McKinley, a year or two before he died, became convinced of the evils of this export system, and was taking steps to remedy them. Some of the government reports published in 1900 severely condemn the practices of the manufacturers of steel rails, beams, plates, wire, wire nails, etc., for charging our consumers 20 or 30 per cent. more for their goods than they charge foreigners for the same goods. Notice was, in this way, served upon these manufacturers that if they did not reform they could expect to lose their tariff protection.

EXPORT PRICES.

HOW THE TRUSTS SELL CHEAPER ABROAD THAN HERE.

In the campaigns of 1902 and 1904 the Republicans persisted in denying, both in their campaign books for those years and in Congress, that the tariff protected combines and associations, commonly called trusts, were selling their products cheaper in foreign countries than in the United States. The evidence, however, published in the Democratic campaign books for 1902 and 1904 so conclusively proved the truth of the statements that the Republican leaders in Congress have been forced since to publicly admit the fact. These admissions indicate how closely the Republicans are allied with the trusts and protected monopolists, for they now openly defend the plundering of the American people through the sale of trust products cheaper abroad than here by virtue of the restriction of competition by excessive import duties.

The first authoritative admission was made by Mr. Dalzell in a speech delivered in the House of Representatives on May 26, 1906, which was published in the Congressional Record on May 26th, pages 7643-56. As Mr. Dalzell represents Pittsburg, Pennsylvania, in the American Congress, and is entirely competent to speak for the conditions in the iron and steel industry, his admission shows that the protectionists have concluded that it is no longer desirable to deny the actual conditions.

THE CHEAPEST IRON AND STEEL.

During that speech of Mr. Dalzell the following colloquy occurred:

Mr. Underwood—"Will the gentleman from Pennsylvania allow me to ask a question, not so much as to where we sell our goods, but how we make our goods? Can the gentleman from Pennsylvania name me any steel mill in the world that can make steel rails cheaper than they are made at Pittsburg? Can the gentleman from Pennsylvania name me any iron furnace in the world that can make pig iron cheaper than at Birmingham?"

Mr. Dalzell—"I think not; and I am coming to that question, if the gentleman will have patience, in a few moments."

Mr. Underwood—"Do we need protection to protect us against the market that we can meet cheaper than anybody else?"

Mr. Dalzell—"I will answer the gentleman's question in due course if he will have the patience."

That question was never answered by Mr. Dalzell, to answer it truthfully would at once break down the whole theory of the protectionists, because if steel can be manufactured cheaper at Pittsburg than anywhere else, and iron in Birmingham cheaper than elsewhere, there can be no excuse for a protective tariff on such products, either to protect the manufacturers or the laboring men employed in those industries; for no one can successfully compete with them. But Mr. Dalzell continued the discussion by saying:

REPUBLICAN LEADERS ADMIT SELLING CHEAPER ABROAD THAN HERE.

"Do we sell goods cheaper abroad than we do at home? Undoubtedly, sometimes—certain kinds of goods—the kind of goods the sale of which promises us a foothold in a foreign market, and to a limited extent, to wit, to the extent of our surplus. Why? Well, for a number of reasons—all of them patent to business men. The first and foremost, because our home production exceeds our home consumption; and the excess of production must be sold in a foreign market or our factories and our workmen remain during a portion of each year idle."

This acknowledgment of the Democratic claim that the trusts are selling cheaper abroad than here of "certain kinds of goods"—those goods of course that the steel trust and other combines can manufacture cheaper here than similar goods can be manufactured abroad, was followed by another astounding admission by Mr. Dalzell, which will be found on the same page of the Record, as follows:

Mr. Dalzell—"We have in this country, by reason of the skill of our workmen, by reason of our general prosperity, by reason of our inventive genius, by reason of our improved machinery, arrived at a period when we can make in this country on an average of nine months all that the country can consume in the year.

"It is a plain business proposition whether or not we shall run the year round and sell all of our goods in any market, or whether we shall run nine months and close up our factories the other three. But that is not the only reason. Another reason is because, in order to gain a foothold in foreign markets, *the price must be regulated so as to meet the price in the foreign market with which we come in competition.* And another reason is because, in our contest for entrance into the world's markets, we have *to encounter a system of tariffs, of syndicates, of cartels, of bounties,* all of which were made for the purpose of excluding us from those markets."

This further acknowledgment that the trusts "can produce in this country, on an average of nine months, all that the country can consume in the year," shows that about one-fourth of trust products, or the products of three months of our manufacturing, *must be sold abroad unless* our factories and workshops are shut down for three months out of the twelve months; although further along in his speech Mr. Dalzell made a labored argument to prove that the amount of goods sold abroad cheaper than here only amounted to three-tenths of one per cent. of our total manufactures. He quotes Senator Gallinger, another ardent protectionist, and not a reliable statistician, as his authority. Senator Gallinger obtained his estimate from the partisan majority report of the Industrial Commission; but Hon. Thomas W. Phillips, Republican member of the Commission, made a supplemental report in which he very severely attacked the majority report for suggesting that three-tenths of one per cent. is a fair estimate of the amount sold cheaper abroad than here.

INDUSTRIAL COMMISSION REPORT.

But what did the Industrial Commission say several years since on this subject? Its conclusions will be found as to export prices in volume 19, on pages 626-7, as follows:

"In about 20 per cent. of the cases covered by the Commission's returns the export prices have ruled lower than those charged to home consumers. The practice is quite common in all countries, etc.

"That in view of the extent and protection of our manufacturers, of our growing export trade and the sharp competition being encountered in foreign markets, of the practice by some exporters of making lower prices abroad than at home, and the desirability of protecting the consumer as well as the producer, without awaiting other legislation, the Congress provide for a commission to investigate and study the subject and to report as soon as possible *what concessions in duties may be made without endangering wages or employment at home*, what advantages abroad may be obtained therefor, and also to suggest measures best suited to gain the end desired."

Note, that this non-partisan body with a majority of its members Republican does not say "whether concessions" shall be made or not, but "*what concessions*," for that *some* concessions must be made is evidently their opinion and recommendation. But the Republican party has paid no heed to the recommendations of the Commission of its own creation although over seven years have elapsed.

Hon. Thomas W. Phillips, did not sign this majority report, but in his supplemental report he said:

FOUR-FIFTHS OF EXPORTERS FAIL TO ANSWER AS TO EXPORT PRICES.

"There are a large number of industries in which it is in evidence that the domestic price is much higher than the export price. I do not agree that the answers to inquiries addressed by the Commission to exporters indicate that the trusts are not chargeable with this practice to any serious extent. Out of 2,000 schedules of inquiries sent out, there were received only 416 replies, and only a very few of these replies came from corporations *known popularly as trusts*. (Vol. XIII, p. 726.) The fact that about 75 answers indicated lower prices abroad than at home is significant, when it is noted that more than four-fifths of those addressed failed to answer, and that naturally those who are chargeable with such discrimination would be the ones who would decline to reply.

"Several witnesses before the Commission on behalf of the trusts admitted that their export prices were lower than their domestic prices, but they contended that this was necessary in order to work off their surplus and to keep their establishments running full time, and that the fact that their surplus products could also be worked off by lower prices at home, and that it is the tariff which encourages them to cause a domestic surplus *by restricting domestic consumption through high prices*."

Why did four-fifths of the exporters fail or refuse, though called on, to answer? Because they would evidently have been compelled to admit that they were selling their surplus products cheaper to foreigners than to our own people.

SENATOR ALDRICH ADMITS IT.

But we have another Republican, a much greater authority than Mr. Dalzell, who at least also acknowledges that the trusts sell cheaper abroad than here. When Senator Bacon, of Georgia, was making his great speech on the question of restricting the purchase of supplies for the Panama Canal to the products of this country, he proposed an amendment requiring that no greater price should be paid than similar supplies were being sold for export to foreign countries. This speech will be found in the

Congressional Record, June 2, 1906, on pages 7943-6. During its delivery Senator Bacon yielded to Senator Aldrich, of Rhode Island, the Republican leader of the Senate, who said:

"It is a well known fact, about which there is no dispute, that producers in the United States and in every one of the great industrial nations sell portions of their products from time to time at a less price to people of other countries than to their regular customers at home."

Thus we have the Republican leader in the Senate, and one of the Republican leaders of the House of Representatives acknowledging the truth of the Democratic contention that the trusts sell cheaper abroad than here. Of course they tried to qualify their statement so as to take the sting out of it, but that was to be expected from such strong partisans and protectionists with close trust connections.

SECRETARY SHAW ALSO ADMITS IT.

On page 19 of the Republican National Campaign Book of 1904, Mr. Shaw, Secretary of the Treasury, who of course is the best Republican authority on the tariff because such fiscal matters are under the control of his department, is quoted as saying:

"Our opponents lay much stress upon the fact that some American manufactures are sold abroad cheaper than at home. Our friends sometimes deny this, and they sometimes apologize for it, and a few in times past have downed our opponents in recommending a removal of tariff from all such articles. It is useless to deny, in my judgment, unwise to apologize, and a little short of foolishness to attempt to remedy the assumed evil in the manner proposed by the opposition."

BABCOCK (REP.) GIVES EVIDENCE.

It will be remembered that Representative Babcock, who was chairman of the Republican Congressional Committee from 1894 to 1904, introduced a bill in the Fifty-seventh Congress to revise the steel schedules, gave evidence in an interview in the Washington Post, September 21, 1901, which said:

"One of the points which impressed me of the desirability of revising the steel schedule was information I obtained in Scotland of the placing of an order for 20,000 tons of American steel. When you stop to think that 20,000 tons of steel mean more than 1,000 carloads, it will not do to say that such an order placed abroad by our manufacturers is only their surplus product."

THE GOVERNMENT IN PARTNERSHIP WITH "MONOPOLIES AND TRUSTS."

AMERICAN PRODUCTS SOLD CHEAPER ABROAD THAN AT HOME.

Mr. F. A. Wilmot, President of the Wilmot & Hobbs Manufacturing Company, Bridgeport, Conn., wrote to the *Iron Age*, May, 1901, a letter on this subject which, in part, reads:

"To the Editor:

"Noticing that you have given considerable prominence in recent issues to the organization of the Manufacturers' Association of Bridgeport, and to the end that the manufacturers' associations of other cities and other manufacturers in other cities where manufacturers' associations are in process of formation or are contemplated, we would suggest that you give due prominence to the position which these manufacturing associations in the various cities, particularly along the Atlantic seaboard and Canadian border, and especially in New England, are taking as regards their present handicap in the cost of raw material, such as coal, coke, iron, ore, pig iron, steel ingots and billets, and their desire to have these commodities placed by Congress immediately upon the free list.

THEY BELIEVE THAT AS THESE MATERIALS ARE PRODUCED CHEAPER IN THIS COUNTRY THAN IN ANY OTHER PORTION OF THE WORLD, AND ARE SOLD ABROAD AT LOWER PRICES THAN ALONG THE SEABOARD AND CANADIAN BORDER, THE INDUSTRIES WHICH PRODUCE THEM ARE NO LONGER INFANT AND DO NOT NEED PROTECTION. THEY BELIEVE THAT PROTECTION, SO CALLED, IS BUT ANOTHER TERM FOR GOVERNMENT ASSISTANCE TO MONOPOLIES AND TRUSTS. THIS POSITION THE GOVERNMENT AS IT NOW EXISTS CAN ILL AFFORD TO ASSUME, NOR CAN IT ALLOW THE PEOPLE TO FEEL THAT IT IS DRIFTING INTO SUCH POSITION WHERE IT IS SO WORKING HAND IN HAND WITH GIGANTIC TRUSTS; FOR WHEN THE PEOPLE REALIZE SUCH TO BE THE CONDITION; THEY WILL UNDOUBTEDLY RISE IN THEIR MIGHT, AND BY THEIR VOTES CHANGE THE CONDITIONS AND THE GOVERNMENT WHICH PERMITS SUCH CONDITIONS. * * * It is to be hoped that the Government of the United States will appreciate the position and make such changes in tariff regulations or duties from time to time as will result in putting upon the free list such commodities as do not further need protection on the score of their being infant industries."—Industrial Com. Rept., Byrom W. Holt's testimony.

FURTHER EVIDENCE PRODUCED.

EXPERT EVIDENCE ON DUMPING.

It would seem almost unnecessary to take more space to further prove that most of the trusts sell cheaper to foreigners than to our own people, but as at least three speeches were made in the House of Representatives denying the proposition, namely by Grosvenor, of Ohio; Boutell, of Illinois, and Hepburn, of Iowa, who substantially stated that we only sell shop-worn and obsolete goods cheaper in Europe than we are selling them at home. The following evidence is added:

STEEL RAILS SOLD 40 PER CENT. CHEAPER ABROAD THAN HERE.

Senator Bacon in his speech above quoted introduced two letters addressed to him personally, the writers of which he stated "were known to him personally and the accuracy of their statements can be most thoroughly and confidently vouched for." They are published in the Congressional Record, June 2, pp. 7944-5, and are as follows:

MACON, GA., February 23, 1904.

HON. A. O. BACON, Washington, D. C.

My Dear Sir—I beg to own receipt of yours of the 20th, and have carefully noted same.

I recall very distinctly my conversation with you on the subject of steel rails purchased by my company from the ——— company, and I take pleasure in giving you the details of the transaction, asking you, however, to refrain from mentioning the names of the parties.

The extension of our road, some 40 miles, was decided upon and cash provided for it early in the spring of 1901. Owing to the demand at that time for steel in all forms and the probability of an advance in price, it seemed wise to take up the matter of the purchase of the necessary rails at once. Inquiries, therefore, were addressed and mailed to all the leading steel rail manufacturers in the country, asking for tenders on 60 miles of 70-pound steel rail delivered at Savannah or Macon, the point of delivery to be optional with us.

We received prompt responses, but there was practically no difference in the bids, the eastern rail mills contiguous to tide water quoting practically the same price delivered at Savannah and a correspondingly higher price for Macon delivery, the interior rail mills making a lower price for Macon delivery and a higher price for Savannah delivery. It was very evident to me that the field had been divided by the manufacturers and that no one of them would encroach upon the territory assigned to the others.

After endeavoring in vain to obtain better prices than those quoted, we finally accepted the bid of the ——— Steel Company, and placed our order with them for 5,618 tons of rail at \$29 per ton, based upon delivery at tide water. This would enable us to arrange our own freight rate to Savannah and effect some saving in the cost of the rails. The order was declined on these terms, the ——— Steel Company refusing to make any price f. o. b. mill, but insisting upon delivered price.

The matter was then taken up with interior mills, who were perfectly willing to make a price f. o. b. mill, but we were unable to obtain any concession in all-rail rates which would reduce the cost of the rail below that quoted by the ——— Steel Company for delivery at Savannah.

The whole transaction in the meantime had been handled by wire, owing to the demands of the ——— Steel Company that it be closed at once, as the price would be advanced.

I made one more effort. Some friends of mine were interested in a railroad project in Central America, and I broached the subject to the representative of the ——— Steel Company who had come here to close the matter with me. I told him that my friends had made some inquiry of me as to the cost of construction in that country, and I should like to know at what price he would sell me steel rails delivered at tide water for shipment to Honduras. He promptly quoted me \$20 per ton. Further inquiry developed the fact, however, that they would only load vessels chartered to a foreign port and that the charter should be an essential part of the contract. The wall was complete. There was nothing left for me to do but to place my order and to thank God it was no worse, as within two days thereafter steel rails advanced \$2 per ton.

Allowing a liberal amount for cost of delivery at tide water, which in this particular case would have been very small, we American citizens paid to this American industry \$33,000 in excess of what foreigners would have been compelled to pay. And \$33,000 would have put up a very handsome library filled with standard books on protection.

And this was a very small transaction—only 50 miles of railroad! Payments were cash, and we neither needed nor asked any concessions in the matter of time. Because we were Americans, interested in the development of a small section of our country, involving faith and sacrifices, we were compelled to pay out as a bonus in excess of \$600 per mile.

These are the facts. Unfortunately, I had only the verbal quotation on the rails for foreign shipment, but I have no doubt that it was at least the top of the market, but I have the full correspondence in my files covering the rest of the transaction.

Owing to the necessity for prompt action, I was unable to secure prices from foreign rail makers, but it would be foolish to imagine that that avenue had not also been closed to us.

I have written you hurriedly, and may not have given you all the facts or as clearly as you desire. If there is still opportunity and I can further elucidate the matter, please advise me, and I shall take pleasure in doing so.

For purely business reasons I must ask you not to mention the names I have given. Personally, I should like to see it given the widest publicity; and if the statement is of any use to you, I shall be glad, as an American and as a Republican. Very truly yours,

J. T. WRIGHT.

Mr. Bacon—"I desire to say, with reference to the blanks in the letter, that, in accordance with the request of the writer, who, by the way, is from the State of Indiana, I have omitted the names; but I can furnish the names omitted to any Senator who desires to know them. I have omitted them from this reading in deference to the request of the writer, which he stated was for business reasons solely.

"I will now ask the Secretary to read the next letter, which is from a gentleman who was then the president of the Mexican National Railroad, a railroad lying partly in Texas and partly in Mexico. That letter was addressed to me also. The caption is left off there."

The Secretary read as follows:

I am in receipt of your letter of the 20th. It would not be any embarrassment for me to give you the information you ask if it were possible for me to do so, but I believe it will not be practicable. I am so overwhelmed with work preparatory to getting my affairs in shape for leaving my present position with the company that I have no time to devote to anything outside of my official work, and to get any accurate information would require going back into the files of the purchasing agent's office, and the man who is familiar with this whole business is leaving for Mexico City today.

For a long time past all our purchases have been made on the basis of export prices, even though they have occasionally stopped in Texas, the competition being keen enough to produce this cut in prices in favor of the Texas shipments, so that it has been some time past since we have had any material differences, but those differences do exist and to an iniquitous extent. I use the word "iniquitous" because it certainly seems so to me when the citizens of the United States are required under the laws of the country to pay a higher price to the manufacturers than these same manufacturers are willing to make and sell to foreign people for. In 1902 I secured bids on steel rails for Mexico from United States mills at about \$24 delivered at Tampico, while the price I paid at the same time for rail for our road in Texas was \$28 at the mills.

I have understood that the Canadian Pacific has just bought a large lot of rails from the United States Steel Corporation at \$21. It is asserted and denied that the \$21 is for delivery at Montreal. If it is, the price at the mill would be about \$19, while the price for United States roads is still \$28 at the mills. I do not know this of my own knowledge, and it is merely current report.

When I saw that you had introduced a bill in Congress to inquire into these differences in prices, I was very much pleased that you had started the inquiry, and intended to write you a line expressing myself in that sense, but I was interrupted by one thing and another, and finally it escaped me. The source from which you are seeking to get this information will be official and thoroughly authentic, and it seems to me it should supply you with material quite sufficient to establish your case. * * * With kind regards, I remain, yours very truly,
W. G. RAOUL.

Senator Bacon said:

"I want to call attention to the fact, the pertinent fact, disclosed in that letter. There is a railroad which, as I stated before, runs partly in Texas and partly in Mexico, and the statement made by the president of the road, for whose credibility I entirely vouch, a man beyond possibility of suspicion, to the contrary is that upon that part of his railroad in Texas he was charged \$28 at the mill for rails; that from the same company, at the same time, he was priced rails and furnished rails at \$24, delivered at Tampico. Allowing \$4 for freight, which is not unreasonable, and which I presume was about the freight, there was a difference of \$8 between the price charged by the same mill at the same time to the same consumer for rails for the same railroad, part of it lying in Texas and part of it lying in Mexico—\$28 for the rails to be used on the part of the road lying in Texas and \$20 for the rails to be used on the part of the road lying in Mexico."

Those concrete cases ought to satisfy even the greatest Republican unbeliever of the fact that the steel trust sells cheaper abroad than here. On May 1, 1906, the representatives of the Steel Rail Pool met, and it was published in all the morning newspapers of May 2, and "fixed the price" of steel rails at \$28 a ton for the next fiscal year beginning July 1. That was a distinct case of a "combination in restraint of trade," but neither the President or his Attorney-General appear to have noticed it, for no attempt has been made to disrupt this illegal "pool" or combination.

SHIP BUILDING MATERIAL.

ALSO SOLD CHEAPER ABROAD THAN HERE.

In the report of the Merchant Marine Commission of 1906, volume 3, page 77, the testimony of Mr. Nixon, a ship builder known to all the world as a man of character and great experience, was a witness before the Commission composed of members of both Houses of Congress at its hearing held in New York city, beginning on May 23, 1905, gave evidence as follows:

EXPERT TESTIMONY ON DUMPING.

Senator Mallory—"There is another question. Some years ago we were shipping steel plates to the Clyde. As I remember, we had some very good evidence to that effect before Congress. Quite a large contract was made, and it was said that we were underselling the British steel-plate makers on their own ground. Do you remember whether or not that was correct? That was about four or five years ago."

Mr. Nixon—"I heard the statement at the time. I have no doubt that some contracts were placed in this country. I merely had to take the statement as I saw it printed. I had no connection with it."

Senator Mallory—"Since then these plates have gone up so that at the present time there is about one-third difference?"

Mr. Nixon—"They are selling approximately at \$38 a ton here as against \$31 there. *But that is the price here for American materials. Undoubtedly American material can be bought in England very much more cheaply than here at present.*

Now, on page 79 of the same volume, Representative McDermott, of New Jersey, questioning him:

Representative McDermott—"Your proposition is this: American plates can be sold abroad, or are sold abroad, for some business reason, at a less price than they are sold here?"

Mr. Nixon—"Yes."

Representative McDermott—"Plates of equal quality, but of foreign manufacture, can be imported for less than you can buy domestic plates here?"

Mr. Nixon—"Yes."

Before the same Commission and in the same report, on the volume and pages given, this further testimony was given by other witnesses conclusively showing that our trusts and combines are persistently selling abroad cheaper than here, which is shown as follows:

Mr. A. A. Moss (p. 1722, vol. 3)—"I believe that the steel trust is responsible to a great extent in discriminating against the American shipbuilder in the way of prices, as plates and other material made by the American steel trust are shipped to England and sold at 25 to 33 per cent. less than they can be had in this country."

Mr. McGregor (p. 782, vol. 2)—"I picked up a newspaper in the month of February and read as a piece of news that one of the independent steel companies, not in the trust, in Pennsylvania, had just sold 40,000 tons of steel rails to the Canadian Pacific Railroad at \$21.50 per ton. * * * You remember that when Congressman Johnson was in the House he made the statement, as a steel manufacturer, that he could make steel rails at a profit of \$2 per ton and deliver them on the cars at Johnstown, on the Cambria Works, at \$18.50. That statement is on record in Congress, and it is not disputed. * * * Oh, they did contradict him, but the question here for us, I think, gentlemen, is, Did they successfully contradict him?"

Because he was at that time one of the largest manufacturers of steel rails in the United States. As a manufacturer of steel rails, he simply took his books and showed that he paid higher wages than any other concern in the trust, and he was then a member of the steel trust. Those are facts on record."

The above statement was made before the Commission June 27, 1904.

Mr. James C. Wallace, of the American Shipbuilding Company, on June 28, 1904, gave this testimony before the Commission:

* * * "Recently one of our largest steel mills sold abroad 100,000 tons of steel plate. They delivered it, I understand, at Belfast at \$24 per ton. That would practically mean, with ocean rates as they are, \$22 a ton at tide water. They are charging us today at Pittsburg \$32 per ton. About four years ago our company took a contract from the American Navigation Company for building here on the Lakes two 7,000-ton ocean ships. * * * We took the contract at a price about equal to the price for which they could be built in England at that time. Steel was then very much lower than it is today. Steel pools had not then been formed."

Representative Grosvenor—"I want to know who bought the steel you speak of?"

Mr. Wallace—"The Harland & Wolfe Company."

Representative Grosvenor—"From whom did they buy it?"

Mr. Wallace—"The United States Steel Corporation."

Representative Grosvenor—"Do you know where it was shipped from?"

Mr. Wallace—"I do not. I presume from the Carnegie Steel Company. I do not know that, though, for a fact, as they have so many mills."

Representative Grosvenor—"And their present price to you is \$32?"

Mr. Wallace—"Thirty-two dollars a ton, Pittsburg."

Representative Grosvenor—"And that was laid down at Belfast at \$22?"

Mr. Wallace—"At \$24."

The Chairman—"What does it cost to transport it from this country to Ireland?"

Mr. Wallace—"As near as I understand, the rates at the present time are \$2 a ton. That would be \$22 a ton at tide water." * * *

Representative Grosvenor—"What is the freight from Pittsburg to tide water?"

Mr. Wallace—"I think it is about \$1.40 a ton. I am not positive about that, though."

Mayor Johnson—"That would make \$11.40 difference between the Pittsburg price to you and the price abroad?"

Mr. Wallace—"Yes. I am not positive about just what that rate is." * * *

Representative Minor—"Mr. Wallace, would there be the same difference between all material that goes into your frames—your shapes, I suppose?"

Mr. Wallace—"Yes, sir."

Representative Minor—"Beams, rivets, etc.—would the same difference be maintained between the cost in Europe and the cost here?"

Mr. Wallace—"It is so today. Plates, beams, angles and channels are now \$32 per ton, Pittsburg." * * *

Mr. Goulden—"Is the price as low abroad on other things as it is on the plate?"

Mr. Wallace—"Yes, sir. Roll prices are the same at the present time."

Representative Minor—"Do they lay that down in England at the present time at that price?"

Mr. Wallace—"Twenty-four dollars a ton in Belfast. They made no secret of it. It was published in the papers at the time."

* * * * *

The Chairman—"I presume that in the instance you have cited as to the sale of steel abroad, you have taken the pains to verify it beyond peradventure?"

Mr. Wallace—"It was given to me by the assistant sales agent of the Carnegie Steel Company."

Senator Penrose—"Was any reason given for the difference in price?"

Mr. Wallace—"Nothing but that they wanted to keep their mills in operation."

Representative Minor—"I think, Mr. Chairman, that the testimony of Mr. Edwin S. Cramp is about the same as that of Mr. Wallace on prices abroad and here."

The Chairman—"Yes; I think it is. I want to say what I think I am privileged to say, as chairman of this Commission, that, if the situation is as has been described, it is a great outrage." [Applause.]

Mr. Wallace—"We have thought so for some time, and we have thought that in some way it ought to be remedied."

The above testimony of Mr. Wallace appears on pages 811, 812, 813 and 814, volume 2 of the report.

EVIDENCE OF A PROTECTIONIST.

In volume 3, page 1893, of the Senate hearings before the Committee on Interstate and Foreign Commerce, is reported the evidence of Mr. Ramsay, president of the Wabash and Ann Arbor Railroad and other railroads. That railroad runs through both American and Canadian territory and Mr. Ramsay has purchased steel rails to be laid in both countries. He testified as follows:

"Senator, if you will permit me, I will illustrate it by the rail question: Railroads in this country pay \$28 at the mill for rails. *The same maker will sell those rails to the Wabash for use in Canada at \$20 to \$21, provided they are used in Canada.* We dare not use them in the United States. Now, we say to the makers of the rails, 'We can buy English rails, delivered on these shores, at \$20 a ton.' Then Uncle Sam steps in and says, 'Yes; you can do that, but if you buy those rails you will have to pay to Uncle Sam \$8 a ton tariff on them.' On lumber there is a \$2 tariff rate, and that, Senator Dolliver, would add \$75 to your house in Kansas or Iowa, four times as much as the railroad rate will. The tariff duties on steel and all these things force the railroads to pay to the makers of steel these high rates. Why does Uncle Sam do that? Why did they do it originally? To promote industry and commerce. And that is why they should permit the railroads to make low rates on traffic going abroad and low rates between various communities on the long haul, to do the very same thing. The Government pays a bonus in one case. In the other case they do not."

Mr. Ramsay is a Republican, and testified: "I am in favor of the tariff, and so are all railroad men."

EVIDENCE FROM THE "IRON AGE."

The Iron Age is a great trade journal of all matters connected with the iron and steel industry and is of course in sympathy with the manufacturers who support it. In publishing news of the trade it represents, it says:

"On November 12, 1903, the Iron Age quoted American bars in England at 82 shillings, or less than \$20 per ton, and in America at \$1.42½, or \$31.92 per ton. Thus the independent manufacturer of tin plate in America, who has to buy his bars of the steel trust, must pay more than 50 per cent. more for his chief raw material than is paid by his foreign competitor. This is 'protection to home industries' with a vengeance,

"The same number of the Iron Age tells us that American steel beams, plates, angles, channels and rivet steel are being sold in Canada at from \$9 to \$11 per ton less than the prices charged here.

"The Iron Age of December 17 enumerated a great number of articles of American make which sold largely in South Africa. Nearly all are sold there at prices far below those charged here. Thus it appears that shovels, which our Shovel trust sells here at 90 cents each, are sold there at 36½ cents. This Iron Age also contains information showing that United States Steel Corporation was, early in January, offering steel billets in Lanarkshire, England, at 75 shillings per ton. Deducting \$5 for freight and other transportation costs, the trust gets about \$14 per ton for billets for export, while its price to American consumers is \$23."

The New York Journal of Commerce and Commercial Bulletin of July 30, 1904, said:

"One of the most interesting features of the steel situation is an important sale of several thousand tons of steel plates for export, the price of £5 delivered at Newcastle-on-the-Tyne netting the mills about 90 cents per net ton, f. o. b. Pittsburg. It should be remembered that sales are made in the English market by the gross ton; allowing \$3.50 freight rates and a slight allowance for insurance, this price would net the mills \$20 gross, or \$1.80 per net ton, or 90 cents per hundred, against \$1.60 per hundred for domestic business."

As that journal is looked upon as an authority by bankers and business men its evidence cannot be disputed.

OFFICIAL REPORT.

In the August, 1900, report of the United States Bureau of Statistics on commerce and finance there is a report on the difference between the price at which iron and steel products are sold at home and in foreign markets, which shows that this bureau, although notoriously run in the interest of the protection system was compelled to note the fact of the advantage foreigners were getting by the "dumping" process of the trusts and advise against its continuance. It also shows that what our merchant marine needs is cheaper materials rather than a direct subsidy of the people's money out of the United States Treasury. Mark what this government report says:

"The progress of work on shipbuilding in the United States has likewise been retarded, because makers of steel materials required a higher price from the American consumers than they did from the foreign consumers for substantially similar products. Of course, American exporters have to get foreign contracts in competition with foreign plate makers, who are excluded from our domestic market. In addition to this, American export plate makers are interested in preventing the establishment of plate manufacturing in their customer nations abroad, and to that end bid low enough to discourage foreign nations from entering the field for producing their own plate at home. The progress of domestic manufacturers of iron and steel goods may likewise be handicapped by the sale of iron and steel in their manufactured state at so much lower a price to foreigners than to domestic consumers as to keep the American competitor out of foreign markets generally. The natural limit to such a policy of maintaining a higher level of prices for these materials at home than abroad is found in the restriction of domestic consumption and the import duty. If restriction of consumption at home does not operate to prevent the shortsighted policy of discrimination against domestic development of

manufacturing industries, *the other contingency is more or less sure to rise, namely, the demand for the reduction of the tariff on unfinished iron and steel, in order to equalize the opportunity of makers of finished products in foreign markets.* To this policy the domestic consumer is usually ready to lend himself, thus making a powerful combination of interests to set limits to the rise of domestic prices of iron and steel materials.

* * * * *

"Of the two policies open to iron and steel makers, the far-sighted one of keeping the domestic and foreign markets as near as possible on a par in the price of these materials of manufacture seems by far the wiser one to follow, both in the interest of a steadier course of prices, which means steadier consumption, and on account of the competition of manufacturers of finished goods with foreign manufacturers in the neutral markets of the world.

"The other policy of maintaining prices to manufacturers at the highest level at home leaves little margin for experiment in seeking new markets, and restricts the application of iron and steel to additional uses at home. The depressing effects of an agitation for tariff revision to remedy this inequality are sure to cause a far greater business loss, not only to the country as a whole, but to the producers of iron and steel themselves, than is to be gained by selling at low prices abroad, which they cannot help, and at high prices at home, which they can help. Nor can the home-market price be sustained beyond certain limits by export sales. Certain American manufacturers of steel materials tried this policy up to April, 1900. It resulted in a very positive shrinkage in domestic consumption at the then high rates. Farmers had ceased to purchase barbed wire for wire fences, retail hardware dealers had complained for months of diminished business in nails and wire. Jobbers had gotten in the way of doing a hand-to-mouth business on prices that had advanced from \$1.35 to \$3.20 in the course of a year. Hence the reduction of \$1 in April, 1900, became a necessity in order to keep the mills in operation.

"If steel rails, for example, sell at Pittsburg for \$35 per ton for months in succession for home consumption, while the foreign consumer is purchasing them for \$22 to \$24 per ton, the domestic market is sure to order no more than it is obliged to have for the time being."

EVIDENCE FROM ABROAD.

Hon. John Sharp Williams, from whose comprehensive speech of May 3, 1906, in Congress on this subject much of this evidence is taken, entirely demolishes the arguments and figures of the Republicans who had preceded him—notably Representative Hepburn of Iowa—quoted from certain testimony given in 1904 before the Chamberlain Tariff Commission of Great Britain by members of English firms as to what prices American goods were sold in Great Britain in comparison with prices prevailing in Pittsburg at the same time. The report of this Commission, says Mr. Williams, fairly bristles with such items as these:

Firm No. 312: "We have an offer this week of Siemens-Martin billets, made at Pittsburg, delivered *c. i. f. British port, of 75 shillings per ton.* This week's quotation for pig iron for steel-making purposes (see Iron Age, Jan. 21, 1904) is about \$13 per ton at Pittsburg. The best-equipped works in Pittsburg sell at present raw material, wages and prices, manufactured pig iron into Siemens-Martin open-hearth billets at \$6.50 per ton—that is, equal to \$19.50 per ton at Pittsburg. The selling (pool) price at Pittsburg today for *open-hearth billets* is \$24.

In other words, the Siemens-Martin billets, which were offered to firm No. 312 at 75 shillings per ton, were costing American consumers that same week \$24, or 98.36 shillings per ton—23.36 shillings more to the American than to the foreigner.

Firm No. 898: "Pig iron from United States of America is imported into this country (England) below cost price here; our consumers are buying at 5 shillings per ton less than we can produce it, and the Americans are reported to be selling for export to England at a price equivalent to 8 shillings per ton lower than the price at which they are supplied in their own country."

EVIDENCE AT HOME.

Mr. Henry O. Havemeyer, president of the sugar trust, to the Industrial Commission, said:

"The mother of all trusts is the customs-tariff bill. The existing bill and the preceding one have been the occasion of the formation of all the large trusts, with very few exceptions, inasmuch as they provide for an inordinate protection to all the interests of the country, sugar refining excepted.

"In fact, the tariff bill clutches the people by the throat, and then the governors and the attorney-generals of the several States take action, not against the *cause*, but against the machinery which the people employ to rifle the public's pockets.

"Without the tariff I doubt if we should have dared to take the risk of forming the trust. It could have been done; but I certainly should not have risked all I had, which was then embarked in the sugar business, in a trust unless the business had been protected as it was by the tariff."

* * * * *

"Steel rails were exported at the time the steel schedule was under discussion. They were being sent to England and Scotland. They can be produced for \$15 a ton; they are worth \$24 a ton. Now, the reason they are worth \$24 a ton is because the people, under the tariff, are mulcted for the difference. I am not talking about things that are ancient history; I am talking about things that exist. I am not talking as to whether 100 per cent. was necessary or not. I am talking about the effect of the tariff today, which is the mother of these trusts which are mulcting the people, and there is not a line of it free from this abuse today."

May 11, 1901, Mr. Schwab, of the Carnegie Steel Company, to the Industrial Commission, said:

Q. Is it a fact generally proved of all exporters in this country that they do sell at lower prices in foreign markets than they do in the home markets? A. That is true, perfectly true.

Q. Would you say that when business is in a normal condition the export prices are regularly somewhat lower than home prices? A. Oh, yes; always.

Q. Suppose you take the case of steel rails. Could you give about the difference between the export and domestic price? A. I would have to make a guess; I do not know exactly. The export price is about \$23 a ton.

Q. And the price here?—A. Was \$26 and \$28.

Q. At the same time?—A. At the same time.

Q. Do you think that men of limited capital can start in business and become large owners as readily now, under this system, as they did formerly?

Mr. SCHWAB. I do not quite understand that.

Q. Has a person or a company with limited capital the same opportunity to start in business and become large proprietors or owners under the consolidated system as there was formerly?

Mr. SCHWAB. Well, if you put the question that way, I think the man with exceptional ability today has a better opportunity of becoming a large owner or a large director in one of these great companies than ever before. *If you say the man with capital at the start—small capital at the start—I doubt it.* (Vol. 13, Rep. Ind. Com., p. 459.)

AMERICAN MANUFACTURES.

ARE SOLD FROM 25 TO 40 PER CENT. CHEAPER ABROAD
THAN AT HOME.

PRICES ON AGRICULTURAL IMPLEMENTS; MR. SEABURY TO THE FRAY
AGAIN.

Editor American Industries: A speech was made at the last convention of the National Association of Manufacturers at Atlanta by the manager of an agricultural implement industry, in answer to a statement made by me in an address "On Tariff Revision and the Remedy." In it I asserted that American agricultural implements were sold for export below home prices; and I also stated that Canadian, English and German firms were successful competitors of our American imperious manufacturers; moreover, that German manufacturers were sending competitive wares into our home market, mentioning Texas in particular. These statements are true. The speaker had the assurance to state that my assertions were untrue, and volunteered the statement that the wares of his establishment were not only sold at the same price for export as in the United States, but higher prices were obtained. In my general statement I qualified my assertion by saying that exporters of American products operated under that rule except where the wares represented a monopoly or were patented. To this statement I also added in my own behalf that we were compelled to undersell home prices in order to acquire export trade, which is also true.

These facts are generally known, our surplus agricultural implements being disposed of at from 25 to 40 per cent. less on export orders for competitive wares. If proofs are needed to sustain this assurance an application to the undersigned at 59 and 61 Maiden Lane, New York City, will satisfy the most incredulous investigator that I spoke truthfully and that evidence will be furnished from the largest manufacturing firms in and out of the agricultural implement syndicates or combinations and from export merchants, who ship these goods to every part of the world.

Facts and statistics are unimpeachable; I have no motive in studying international problems other than to present our strength and weaknesses in promoting and preserving our national commercial interests in any form. It is seldom that an incident like the above has occurred in my experience covering more than thirty years; whenever it has, it was inspired either through wilful misrepresentation or lack of definite information.

GEORGE J. SEABURY.

New York, June 23.

—American Industries, July 1, 1905.

IT HAS BEEN CHARGED SINCE 1890 THAT AGRICULTURAL
MACHINERY MADE IN THE UNITED STATES IS
SOLD CHEAPER IN FOREIGN COUNTRIES
THAN TO OUR OWN PEOPLE.

In 1890, the Hon. Jeremiah M. Rusk, Secretary of Agriculture, under the Harrison administration, in 1890, said:

"I had an opportunity to take some stock in the combination (American Harvester Co.), and I know what inducements were offered. An investigation will show that *this same combination is now selling or offering to sell, machinery in Russia and Australia and other wheat growing countries at a lower figure than they do in this country.* This won't do, and I need not offer any argument to prove the weight or truth of the assertion. The first thing the farmer will do when he is acquainted with the facts will be to make a howl against trusts and protection that does not protect. Whether justly or not, he will

charge it to the Republican party. I am as certain as I can be of anything that *this Mower and Reaper Trust will cost the Republican party hundreds of thousands of votes at the next Presidential election unless it takes a firm stand against it and trusts in general.*"

To test the matter the Farmers Call, of Quincy, Ill., wrote Mr. A. B. Farquhar, the head of the Pennsylvania Agricultural Works, one of the leading manufacturers, both of the home trade and for export, of agricultural implements and machinery. His answer was as follows:

"July 30, 1890.

"The 'fact' is that *protective laws are a monstrous swindle upon the agricultural community.* As a manufacturer I was inclined to say nothing on the subject, for the reason that it was natural to suppose if anybody was benefited it was the manufacturing class, to which I belong. But, as I have explained, *the farmer is being destroyed.* We are *killing the goose for the golden egg.* And I honestly believe now that it is to be the interest of the manufacturers themselves to eliminate the protective feature from our tariff laws.

Manufactures are sold much lower abroad, we could only need protection to get better prices from our customers at home. We do manufacture and sell in Canada, South America, and Europe many agricultural implements and machines, and could we have free raw material and the commercial advantages which free trade would give us America would become the great manufacturing emporium of the world, and the farmer would, of course, share the prosperity since he would have less to pay for everything and get better prices for all he sold. Go on with your good work. *When the farmer begins to think and rise up against this swindle it is doomed.*"

EXPORTS OF AGRICULTURAL IMPLEMENTS.

(Statistical Abstract—1905).

ARTICLES.	1896	1897	1898	1899	
Agricultural Implements:					
Mowers and reapers; and parts of.....	\$3,212,423	\$3,127,415	\$5,500,665	\$9,053,830	
Plows and cultivators; and parts of.....	746,604	590,779	927,250	1,545,410	
All other, and parts of..	1,217,748	1,522,492	1,181,817	1,832,957	
Total.....	\$5,176,775	\$5,240,686	\$7,609,732	\$12,432,197	
1900	1901	1902	1903	1904	1905
\$11,243,763	\$9,943,680	\$8,818,370	\$10,326,641	\$11,568,062	\$10,559,891
2,178,098	1,888,373	2,791,092	3,169,961	3,537,810	2,892,060
2,677,288	4,481,381	4,677,278	7,510,020	7,643,763	7,269,790
\$16,099,149	\$16,313,434	\$16,286,740	\$21,006,622	\$22,749,635	\$20,721,741

"As soon as an industry has attained the position where it can more than supply our home market and has to send its goods abroad, where they compete with those of foreign manufacturers, it is evident that they are either giving the foreigners the benefit of lower rates than they do our own people, or that they are able to get along at home without any protection from foreign manufacturers. *It is not fair that our own people should be made to pay more than foreigners for the products of our own land.*"—Engineering and Mining Journal, March 15, 1890.

AMERICAN TOOLS CHEAPER IN GERMANY.

On the day when the American chief was embarking for New York in order to purchase his supplies of American tools, the Panama doctor came to him and said:

"I can buy those identical American tools here cheaper than you can buy them in New York! A German house orders them for me. They go from New York to Berlin, and from Berlin a second time across the Atlantic, and, inspite of all that travel, I get them here cheaper than you can in New York! (Poultney Bigelow.)

Free Trade Broadside, April, 1906.

THE WATCH TRUST SELLS CHEAPER ABROAD THAN AT HOME.

It is seldom you can catch a trust red handed in carrying off the swag, yet that has been accomplished in the watch trust case, which is not only proved to be selling cheaper abroad than here, but also of restricting trade and dictating the retail prices at which watches shall be sold.

In a speech in the House of Representatives April 5 (see Cong. Record, April 5, 1906), Hon. Henry T. Rainey, of Illinois, fully exposed the watch trust and its method of plundering the people of the United States through the protection granted the trust in the Dingley tariff law.

In opening his speech Mr. Rainey first had read an advertisement of Charles A. Keene, a watch and diamond merchant of 180 Broadway, New York city, which is as follows:

"[The New York Press, Friday Morning, February 2, 1906.]

"FOR SALE—DIAMONDS, WATCHES, ETC.

"Warning! Do not buy Waltham or Elgin watches from dealers allied with the trust!

"When I started this campaign against the iniquitous methods practiced by the watch trust against both consumer and dealer I prophesied that the exposure of the combine's unfair methods would inevitably compel the watch trust to forego extorting extravagant profits from American watch buyers and compel them to get down to a square basis or to quit the foreign field. That alternative is now being considered by the watch trust.

"The members of the watch trust are now studiously analyzing the problem created by the stupendous competition I have initiated—even the dealers are protesting against and rejecting the ironclad agreements heretofore forced upon them by the trust.

"The cost of your watch may be a comparatively trivial affair, but the price you pay involves a principle, and a vital one.

"To pay \$75 for a Waltham, 'Riverside Maximus' (the price which eight out of ten dealers will ask you) may not be a willful extravagance from the standpoint of intrinsic value, but to pay \$32.70 more than that particular watch sells for in England, Egypt or Australia simply because it is a home-made article and you live in the United States is hardly sufficient justification for paying tribute and dividends to the trust. The average man wants fair play in watch buying as in other things.

"There are no better watches made in the world than those turned out of our American factories. That fact is made doubly plain by the high character of the goods sent abroad by the watch trust to compete with the world-renowned watches of such makers as Sir John Bennett, Jules Jurgensen, Patek Phillipe, Audemar, Constantin & Vacheron, etc.

"It may seem paradoxical or a 'bull' to say that in order to get the best American-made watches at the lowest prices you must buy them abroad, but such is the fact, thanks to a benevolent 'protective' tariff, which enables the watch trust to hold up the American public and demand tribute for dividends from Americans.

"Here is an illustration of how the watch trust mulcts (or milks) the American watch buyer

"Walk into any jewelry store in the United States and ask to be shown the best Waltham watch made. They will show you the 'Riverside Maximus,' at \$75.

"Under no circumstances are they allowed to sell this watch for less than \$60, as they are bound by the 'ironclad' agreement with the trust to maintain that as the minimum price. I buy this same 'Riverside Maximus' in England, defray all shipping expenses, bring it back to this country duty free, and offer it to the American public at \$42.30, and make a reasonable trade profit on the transaction.

"The same relative price difference applies to all other grades of Waltham and Elgin watches.

"It is even possible to bring Waltham movements back to this country from England and retail them for \$2.75 at a profit.

"All my watches are guaranteed brand new, just as they come from the Waltham and Elgin factories. The prices are all under the market; for instance, the Riverside, seventeen jewels, price \$16.39. No jeweler is allowed to sell this for less than \$25, under penalty of being blacklisted by the trust cutting off his supply. Ask some jeweler and find out. All my prices represent about the same percentage of saving. The prices quoted below are for movements alone. On request I will submit prices on any sort of case made. I do not sell movements without cases or cases without movements. They are priced separately simply for the convenience of customers:

Waltham, Maximus, 23 jewels.....	\$42.30
Waltham, 15 jewels, No. 820.....	3.98
Waltham, 17 jewels, No. 85.....	4.78
Waltham, Crescent St., 19 jewels.....	16.92
Waltham, Crescent St., 21 jewels.....	18.98
Waltham, Riverside, 17 jewels.....	16.39
Waltham, Vanguard, 23 jewels.....	25.38
P. S. Bartlett, 17 jewels.....	7.98
Elgin, B. W. Raymond, 19 jewels.....	16.92
Appleton, Tracy & Co., 17 jewels.....	11.98
Lady Waltham, O size, 16 jewels.....	9.98
Riverside, 12 size, 17 jewels.....	16.39
Waltham, Maximus, 21 jewels.....	39.98
Elgin, Veritas, 23 jewels.....	25.38

"CHARLES A. KEENE,

"180 Broadway, New York, Watches, Diamonds, Jewelry."

Mr. Rainey then said:

"What is known as the 'big four' in the watch trust are the following: The American Waltham Watch Company, of Waltham, Mass.; the Crescent Watch Case Company, of Philadelphia; the Elgin National Watch Company, of Elgin, Ill., and the Keystone Watch Case Company, of Newark, N. J. The Waltham company make movements only, and they are put on the market and sold in Crescent cases. The Elgin National Watch Company sells their watches to the Keystone Watch Case Company for export, and they are exported by the Keystone Watch Case Company. The New York Standard Watch Company, of Jersey City; the Philadelphia Watch Case Company, of Riverside, N. J., and the E. Howard Watch Company, of Boston, are controlled by the same capital that controls the Keystone company, and in order to show how closely all these watch companies are related I want simply to call attention to the fact that although the capital

of the Keystone company controls the Howard Watch Company, the Howard watches are made by the Waltham factory in New York. All these companies own each other's stock.

"Now, I want to answer the questions of the gentleman from Iowa. They are all pertinent and in fairness they ought to be answered, and inasmuch as he has asked them, coming as they do from a leading exponent of the 'stand-pat' Republican policy of this country, they ought to be answered fully, and if I do not entirely satisfy the gentleman from Iowa or any other gentleman on the other side of the House, I trust that you will keep on interrupting and asking questions until I have satisfied every one of you. I have been studying the watch business for some time now, and I feel that I know something about it and I am willing to give to you, who control the situation here and who alone can say whether or not there shall be a revision of the tariff schedules, the benefit of my labors." [Applause on the Democratic side.]

"Watch movements, whether imported in cases or not, if having not more than seven jewels, 35 cents each; if having more than seven jewels and not more than eleven jewels, 50 cents each; if having more than eleven jewels and not more than fifteen jewels, 75 cents each; if having more than fifteen jewels and not more than seventeen jewels, \$1.25 each; if having more than seventeen jewels, \$3 each, and in addition thereto, on all the foregoing, 25 per centum ad valorem; watch cases and parts of watches, including watch dials, chronometers, parts of watches, etc., 40 per centum ad valorem. All jewels for use in the manufacture of watches or clocks, 10 per centum ad valorem.

"Now, in order to further answer the gentleman from Iowa upon a matter about which I am surprised he is not fully informed, I want to say that American-made goods sent abroad can be brought back without paying any duty if they come back in the same condition that they were in when they went abroad. You must satisfy the tariff officers, not that they are in the same condition perhaps, but that they have not been improved or advanced in value while abroad."

HOW THE WATCH TRUST DOES BUSINESS.

"I have here a contract which the American Waltham Watch Company exacts from every retailer in this country who buys the better grades of watches, and in watch parlance the better grades of watches are called 'railroad movements.' No dealer who buys a railroad movement in the United States is permitted to sell that movement for less than the minimum price fixed in that contract. Under this contract the Waltham Company exercises the right to control absolutely the men who shall be jobbers of watches in the United States. In order to show you how it is possible for this business to be built up back of this tariff—a nefarious, outrageous business like this—I am going to put the contract of the Waltham Company in the Record. It has never been published; and I am not permitted to give the name of the retail dealer who furnished me with this copy. But I propose that the country now shall know, and I ask the Clerk to read the contract at the bottom of this bill, beginning with the words, "Bill to retailers."

The clerk read as follows:

BILL TO RETAILERS—CONDITIONS OF SALE.

"Each Waltham railroad movement specified in this bill is sold subject to all the conditions hereinafter and in the Waltham contract notice accompanying such movement set forth, which conditions, the purchaser named herein, by the acceptance of such movement, agrees with the undersigned company to keep and perform, viz. (1) Retail watch dealers must not dispose of said movements except by sale; (2) must sell said movements only to customers purchasing the same for their own or others' use and not for resale; (3) and must not advertise or sell any of said movements or any other Waltham railroad movements at less than the following net prices, respectively:

'Vanguard, twenty-three jewels, \$35; Vanguard, twenty-one jewels, \$30; Vanguard, nineteen jewels, \$28; Crescent St., twenty-one jewels, \$26; Crescent St., nineteen jewels, \$24; Appleton, Tracy & Co. Premier, \$21; Riverside Maximus Lever Setting, \$60; Riverside Lever Setting, \$25.

"(4) All watch dealers handling these or any other Waltham railroad movements are to be considered retail dealers, except those named as jobbers in the latest list of jobbers issued by said company. (5) A breach of any of these conditions as to any Waltham railroad movement shall revert in said company the title of such movement and of all other Waltham railroad movements in the possession of the violator, and upon tendering the price paid by the holder of such movements the said company shall be entitled to retake possession of the same.

"A duplicate of this bill has been sent to the undersigned, by whom these conditions will be enforced.

"AMERICAN WALTHAM WATCH COMPANY,
"Waltham, Mass.

"Now, I want to put in the Record, and I want to have it read here, the contract the Elgin Company exacts from other companies, and this will be the first time this contract has ever been printed."

The Clerk read as follows:

"RETAIL BILL.

"The Elgin movements specified herein are sold subject to the following license conditions (see license accompanying each movement): (1) The retail purchaser may advertise and sell the same only to buyers for use, and at not less than the following prices: No. 214 Veritas, \$35; 239 and 274 Veritas, \$30; 240 Raymond, \$24; Father Time, hunting or open face, \$26; 17-jewel B. W. Raymond, hunting or open face, \$21; 270, \$28; 280, \$23. (2) Acceptance of the movements is assent to these conditions. (3) Any violation of the license conditions revokes and terminates all right and license as to movements and all other Elgin movements in the violator's possession."

Mr. Rainey continued by describing each class of watch sold in the same manner.

On February 20, 1906, Mr. Williams, of Mississippi, introduced the following bill, which was referred to the Committee on Ways and Means and ordered to be printed:

"A bill to reduce the duties on watches imported into the United States from foreign countries.

"Be it enacted, etc., That from and after the passage of this act the duty levied, collected, and paid upon watches imported into the United States from foreign countries shall be 15 per cent. ad valorem.

"Sec. 2. That all provisions of the law in conflict with the provisions of this act are hereby repealed."

But the Republicans refused to consider it.

Mr. Rainey then produced the receipts of the American Express Company for \$130,000.

"I hold in my hand over \$130,000 of American Express Company's receipts showing that within the fifteen months prior to the time he started this particular business, he cabled abroad in American money over \$130,000 through the American Express Company for the purpose of purchasing abroad American-made watches."

Also a list of watch dealers in various parts of the world and he charged that to each one of these watch dealers the American Watch Trust—the Elgin Company and the Waltham Company

and the Keystone Company and the rest of them—sell watches for a mere fraction of the price they sell to the American retailer, and challenged them to show by their books that they do not do so.

The following is the list referred to:

“Mr. Evan Roberts, 30 St. Georges square, Regents Park, London; Mr. J. Blanckensee & Co., 48 Frederick street, Birmingham, England; Mr. Marcel Bourdais, 62 Rue de Tavernue, Paris; Ballantyne & Son, 52 Virginia street, Glasgow, Scotland; MM. Les Fils de Braunschweig, Chaux de Fonde, Switzerland; E. Collins & Co., 34 Pritchard, Johannesburg, Africa; George & Co., Scotland road, Liverpool, England; Hopkins & Hopkins, No. 1 Lower Sackville, Dublin, Ireland; Mr. Hurtis Sendre, 6 Old China Bazaar street, Calcutta, India; Mr. Otto Heerman, 34 Ferdinand Strasse, Hamburg, Germany.”

WAGES AND INCOMES.

HOW THE TARIFF HAS AFFECTED THEM.

The question of the increase or decrease of wages and incomes is comparatively an uncertain quantity as to the employees of the whole country. The Census Bureau says no reliable comparison can be made between the figures for 1890 and 1900. The Labor Bureau, in the Bulletin for July, 1905, published the “Relative weekly earnings per employee and for all employees 1890 to 1904 (see page 15), which indicates an average increase in weekly earnings of 12.3 per cent. from 1897 to 1904, the relative numbers being given in 1897 as 99.2 and in 1904 112.2.”

SPEAKER CANNON'S STATISTICS.

Speaker Cannon, in his “keynote” speech delivered August 16 at Danville, Illinois, gave the voters some large statistics to ponder over, but it is safe to assume that Mr. Cannon would not have used these figures if he had known their full significance. He said: “The average number of wage-earners in 1900, as given by the Census, was 4,251,535, in 1905 the number was 5,492,178, not including those in hand trades.” “The total wages paid,” said Mr. Cannon, “in 1890 amounted to \$1,891,209,696, and in 1905 to \$2,661,409,858.” So he acknowledges that during these fifteen years average yearly wages increased slightly less than 9.4 per cent.

During the same period, that is from 1890 to 1905, the value of manufactured products, according to Census figures, increased 58.7 per cent. Does Mr. Cannon and other stand-pat Congressmen call that a fair deal? An increase of 58.7 per cent. for the Trusts and only an increase of 9.4 per cent. for the wage-earners. That certainly proves trust prosperity, but where does the prosperity for the wage-earner come in when his cost of living has increased 47 per cent.

Speaker Cannon, in his fight with labor, should avoid statistics, for they are a two-edged sword in the hands of anyone that does not understand their significance, as Mr. Cannon evidently does not.

As most of these statistics are totally unreliable, those for the Census of 1890, notoriously so, and those furnished from the Bureau of Labor being juggled to make a partisan showing, Mr. Cannon and other Republican orators should confine themselves to glittering generalities and attempt to prove nothing.

How much wages have increased during the past nine years can be best answered by each individual for himself. He knows what he has been receiving and what he is now getting and whether his wages have kept pace with his increased expenses.

WAGES OF RAILROAD EMPLOYEES.

The Interstate Commerce Commission receives a report each year from each railroad corporation of its income and expenses. One of the items of this report is the number of employees and the wages paid them. As the wages of railroad men must about keep pace with those in other industries, these official government statistics are a fair indication of wages paid in other industries for the year given. In the Statistics of Railways in the United States for 1904, the last published by the Interstate Commerce Commission, on page 43, will be found the average daily wages paid to each class of railroad employee as follows:

Class.	United States.							
	1904	1903	1902	1901	1900	1899	1898	1897
General officers.....	11.61	11.27	11.17	10.97	10.45	10.03	9.73	9.54
Other officers.....	6.07	5.76	5.60	5.56	5.22	5.18	5.21	5.12
General office clerks....	2.22	2.21	2.18	2.19	2.19	2.20	2.25	2.18
Station agents.....	1.93	1.87	1.80	1.77	1.75	1.74	1.73	1.73
Other station men.....	1.69	1.64	1.61	1.59	1.60	1.60	1.61	1.62
Enginemen	4.10	4.01	3.84	3.78	3.75	3.72	3.72	3.65
Firemen	2.35	2.28	2.20	2.16	2.14	2.10	2.09	2.05
Conductors	3.50	3.38	3.21	3.17	3.17	3.13	3.13	3.07
Other trainmen.....	2.27	2.17	2.04	2.00	1.96	1.94	1.95	1.90
Machinists	2.61	2.50	2.36	2.32	2.30	2.29	2.28	2.23
Carpenters	2.26	2.19	2.08	2.06	2.04	2.03	2.02	2.01
Other shopmen.....	1.91	1.86	1.78	1.75	1.73	1.72	1.70	1.71
Section foremen.....	1.78	1.78	1.72	1.71	1.68	1.68	1.69	1.70
Other trackmen	1.33	1.31	1.25	1.23	1.22	1.18	1.16	1.16
Switch tenders, crossing tenders and watchmen	1.77	1.76	1.77	1.74	1.80	1.77	1.74	1.72
Telegraph operators and dispatchers	2.15	2.08	2.01	1.98	1.96	1.93	1.92	1.90
Employees—account floating equipment	2.17	2.11	2.00	1.97	1.92	1.89	1.89	1.86
All other employees and laborers	1.82	1.77	1.71	1.69	1.71	1.68	1.67	1.64

These wages show an average increase of 11 per cent. Since 1904 there has been a further increase, which, if in the same proportion, would make the increase in 1906 about 14 per cent. So the railroad men are not participating in the prosperity of the railroad managers and stockholders. What they bought for \$1 of wages in 1897 now costs them \$1.47, and they have only \$1.14 to pay it with. The tariff fostered trusts and inflation have raised prices 47 per cent., but the average wages have only increased 14 per cent. To come out even the man who was receiving \$2 a day in 1897 should now be getting \$2.94. It is fair to assume that all labor is suffering from similar conditions, except perhaps a few well-organized trades, who have been able to force their wages somewhat beyond the average increase, but only after great strikes and costly struggles.

No wonder Organized Labor is opposing the Republican party, not only on the question of labor legislation, but on the far greater issue of legislating for monopolists and giving them the opportunity to plunder the great mass of the people.

HOW THE TARIFF PLUNDERS THOSE WITH LIMITED INCOMES.

Those whose incomes are stationary and who get no increase to correspond with the increase in the cost of living are in worse plight than other people. The aged man or widow with a small but fixed income finds nearly one-half of its purchasing power cut off and themselves unable from age or infirmity from working to increase their incomes. Nothing remains for such unfortunates but the pinching economy that comes hard, when comfort should be the rule. The grasping Trusts and Corporations are, through the monopoly, created by protectionism sucking the life blood of those with limited incomes to the tune of 47 per cent. That is Republican usury made legal by the statute known as the Dingley tariff law.

COST OF LIVING HIGHER.

AMERICANS PAY HIGH TAXES FOR BENEFIT OF FOREIGNERS.

"FIGURES WON'T LIE!"

"The Bureau of Labor at Washington issues a bulletin to explain that the cost of living is the highest in sixteen years. Any housewife could have told them that after doing her daily shopping."—New York World.

That statement of fact is a reminder, by way of contrast, of one of the funny incidents of the Presidential campaign of 1904. Everybody will remember—for who could possibly forget?—the promulgation by that bureau, just as the dullness that characterized the first two months of that campaign was beginning to be relieved by a slight semblance of interest and excitement, of a bulletin showing on its face that the cost of living had been for a considerable time tending downward. As that statement was flatly contradicted by the experience of every family in the United States, and, therefore, all the people knew that it was the reverse of true, it naturally caused some indignation. But that feeling gave way to innocent merriment as soon as the country had time to take in and assimilate its grotesque absurdity.

Truth has nothing to fear from fiction, even though it comes in the shape of official statistics. For, in spite of the old saw, "figures won't lie," it has come to be generally understood that "in the hands of one entirely great" figures may be induced to do the most stupendous lying. In 1906 it is as well known that *Americans are paying heavy taxes not for protection of Americans, but for the benefit of foreign consumers of American products, as it was in 1904 that the cost of living had long been soaring.* And it is this universal knowledge that causes recent lame and impotent attempts to deny that our manufacturers show special and great favor to foreign customers to be dismissed with mingled contempt and amusement."—Washington Post, May 4, 1906.

PRICES AND WAGES.

THE INCREASED COST OF LIVING.

As the present tariff law has greatly advanced the cost of living, it is important to know just how much is to be charged to that Republican legislation and to discover the benefit, if any, to offset that drain on the American pocketbook and if wages have kept pace with the increased expenditures.

The acknowledged reliable figures of the trend of prices are Dun's Index numbers, issued every month by the R. G. Dun & Company Mercantile Agency in Dun's Review. These figures are scientifically arrived at and the following explanation of the method of preparation is taken from the Government report of the Monthly Summary of Commerce and Labor for April, 1904, under the title, "Prices Proportioned to Consumption":

"In the following table the course of prices and commodities is shown, with due allowance for the relative importance of each. Quotations of all the necessities of life are taken, including whiskey and tobacco, and in each case the price is multiplied by the annual per capita consumption, which precludes, and one commodity having more than its proper weight in the aggregate.

"For example, the price of a bushel of wheat is multiplied by 5.55, representing the annual per capita consumption of 42-3 bushels of food and the remainder as allowance for seed. The price per pound for coffee is taken nine times, of cheese 2.3, of chemicals only fractions of an ounce in some cases. Thus, wide fluctuations in the price of an article little used do not materially affect the index, but changes in the great staples have a large influence in advancing or depressing the total. For convenience of comparison and economy of space the prices are grouped in seven classes: Breadstuffs include many quotations of wheat, corn, oats, rye, barley, beans and peas; meats include live hogs, beef, sheep, and many provisions, lard, tallow, etc.; dairy and garden products embrace eggs, vegetables, fruits, milk, butter, cheese, etc.; clothing covers the raw material of each industry, and many quotations of woolen, cotton, silk and rubber goods, as well as hides, leather, boots and shoes; metals include various quotations of pig iron and partially manufactured and finished products, as well as the minor metals, tin, lead, copper, etc., and coal and petroleum; miscellaneous include many grades of hard and soft lumber, lath, brick, lime, glass, turpentine, hemp, linseed oil, paints, fertilizers and drugs. The third decimal is given for accuracy of comparison; thus, \$101,587 representing \$101.58 and seven-tenths of a cent. This figure does not purport to show the exact average amount cost of living on January 1, 1902, because wholesale prices are taken and all luxuries omitted. Its economic value is in showing the percentage of advance or decline from month to month."

To show how careful Dun's Review is to quote accurately and to weight properly, note the following further explanation from Dun's Review of September 7, 1901:

"In many cases a large number of quotations are averaged in order to secure a representative price for the commodity, thus avoiding the special effect on one particular grade of exceptional conditions. Both raw materials and manufactured products are included, preventing the excessive influence of speculative operations in the former, since markets for finished products are more stable. In these cases the per capita consumption is so proportioned as to avoid duplication,"

The explanation of the Dun price tables not only indicates what is a strictly scientific system, it also condemns the Bureau of Labor methods as unscientific and unreliable. The Dun price tables are prepared by the leading commercial authority of this country. They are not made in the interest of any political party or to bolster up any tariff theory. The accuracy of these price tables as indicating the relative changes in the cost of living has never been questioned, even by the Bureau of Labor. Why the Labor Bureau should adopt another and totally unscientific system is clear to those familiar with the exigencies of Republican politics.

Following is a table showing the relative cost of living at different dates:

DUN'S INDEX NUMBERS.

	1897 July 1	1900 July 1	1902 July 1	1904 July 1	1906 July 1
Breadstuff	10.589	14.898	20.534	18.244	17.923
Meats	7.529	8.906	11.628	9.033	9.677
Dairy and Garden	8.714	10.901	12.557	10.648	12.590
Other food	7.887	9.482	8.748	10.406	9.645
Clothing	13.808	16.324	15.533	16.514	19.177
Metals	11.642	14.834	16.084	15.428	16.649
Miscellaneous	12.288	16.070	16.826	16.919	19.555
Total.....	72.455	91.415	101.910	97.192	105.216

The year 1897 is taken as the initial point because the present tariff law was enacted and became in force on July 24 of that year, and the odd years are omitted to allow space for the table on the page. The general trend, however, has been steadily upward, except in the semi-panic of 1903, when the numbers fell away to 99.456, and continued to decline during 1904. The figures of the table therefore indicate that the cost of living has increased 47 per cent. since 1897, the year the present tariff law was enacted. Apparently, it is mounting higher and higher and has made new records each year, except in 1903-4, since the trust era was brought to its climax by the passage of the present tariff law.

The tables published by the United States Bureau of Labor are not prepared on the same scientific basis as are Dun's figures, for the proportionate amount of each class of produce and article consumed is not allowed for, so that the article, such as nutmegs, bears the same relative proportion as flour. Yet, misleading as are the tables of the United States Bureau of Labor, even these show that the average wholesale prices for the year 1905 were 29.02 per cent. higher than they were for the year 1897. (See Bulletin of the Bureau of Labor, March, 1906).

ENGLISH PRICES.

It is interesting to note the trend of prices in England, where there are no protected trusts, that country being on a tariff for revenue basis. For years the London Economist has published figures prepared on a somewhat similar basis as Dun's although on a less number of articles and not weighted so scientifically and the figures are here given for the same years as in the table of Dun's Index numbers.

LONDON ECONOMIST INDEX NUMBERS.

Average price level of commodities in England on the 30th day of June, 1897 to 1906, showing the gradual rise in prices in the free trade market, due to increased supply of gold. The figures are taken from the Index Numbers of the London Economist, only the totals being given:

June 30, 1897.....	1885
June 30, 1898.....	1915
June 30, 1899.....	2028
June 30, 1900.....	2211
June 30, 1901.....	2007
June 30, 1902.....	2003
June 30, 1903.....	2127
June 30, 1904.....	2130
June 30, 1905.....	2163
June 30, 1906.....	2362

The table shows that prices in England, where there are no protected trusts, have advanced $25\frac{1}{2}$ per cent. since 1897, and therefore there must be some underlying cause for this increase that is world wide. This $25\frac{1}{2}$ per cent. increase, it would seem, has been caused by the enormous output of gold and consequent inflation of the circulating medium during the past few years which has decreased the purchasing power of gold, as measured in labor and commodities. Therefore, there has been a general upward trend of prices to meet this decrease in the value of gold on an average of $25\frac{1}{2}$ per cent.

SAUERBECK'S PRICES INDEX.

As further evidence of the general trend of prices and proof of the Democratic contention in 1896 of the quantitative theory of money that inflation of the circulating medium advances prices and a reduction in the circulating medium leads to lower price levels is shown in the tables below. It is interesting to note that even despised silver feels the force of gold inflation and has advanced in value, as shown by the table below, from the relative value of 35.6 to 49.4, an advance of over 38 per cent. Since these figures were published the Government of the United States has purchased silver at 66 cents an ounce, equal to nearly 33 pence per ounce, which will advance the index figure to 54.1.

"A. Sauerbeck, London, issues the following index numbers of the prices of 45 commodities, under date of August 3, the average of the eleven years 1867-1877 being 100:

Average.	Monthly Numbers.
1878-1887..... 79	Dec., 1889..... 73.7
1886-1895..... 68	Feb., 1895..... 60.0
1890-1899..... 66	July, 1896..... 59.2
1896-1905..... 68	July, 1900..... 76.2
1894..... 76	Dec., 1901..... 68.4
1896..... 61	July, 1905..... 72.5
1900..... 75	Dec., 1905..... 74.9
1901..... 70	Feb., 1906..... 75.0
1902..... 69	Mar., 1906..... 75.7
1903..... 69	April, 1906..... 76.5
1904..... 70	May, 1906..... 77.0
1905..... 72	June, 1906..... 76.9
	July, 1906..... 76.4

"The index number shows a further moderate reduction. Among articles of food, flour, barley, maize and tea ruled slightly lower, while sugar and coffee were somewhat dearer. For animal food products there was scarcely any change. In the case of materials iron and copper were a little firmer, but tin declined from £176¾ to £170¾ per ton. Cotton and jute were easier, and foreign wool fell 5-10 per cent. No alteration occurred for sundry materials in the aggregate.

"Taking articles of food and materials separately the index numbers compare thus (1867-1877 equal 100):

	Average			1895	1896
	1878-87.	1886-95.	1896-05.	Feb.	July
Food	84	71	67	63.8	60.0
Materials	76	66	69	57.0	58.6
	1900	1900	1905	1906	
	Feb.	July	Dec.	June	July
Food	65.8	71.2	68.7	69.1	68.7
Materials	81.9	79.8	79.4	82.7	82.0

"Silver—The prices and index numbers compare thus (60.84d per oz. being the parity of one gold to 15½ silver, equal 100):

	Price.	Index No.
Average, 1886-1895.....	40 ¼d	66.2
Average, 1896-1905.....	27 ½d	44.6
Average, 1896.....	30 ¾d	50.5
End December, 1900.....	29 9-16d	48.6
Lowest November, 1902.....	21 11-16d	35.6
End December, 1904.....	28 ¾d	46.6
End March, 1905.....	25 13-16d	42.4
End December, 1905.....	30d	49.3
End June, 1906.....	30 3-16d	49.6
End July, 1906.....	30 1-16d	49.4

HOW THE TRUSTS HAVE INCREASED PRICES.

The above index numbers of Sauerbeck's show an average increase in prices in England of 27 per cent. since 1896, which is 1½ per cent. higher than shown by the London Economist figures, probably caused by the larger number of articles used in the Sauerbeck grouping than by the Economist. But taking the Sauerbeck numbers as approximately correct they show there has been this world-wide increase in values of 27 per cent. as against an increase in the United States of 47 per cent. The combined opinion of nearly all experts charges the increase in world-wide prices to the diminished purchasing power of gold since it has become more plentiful, but that only applies to the 27 per cent. world-wide increase in prices. To what must be charged the 20 per cent. extra increase in this country? The reason is plain and incontrovertible, that the tariff-fostered trusts have, by reason of the protection granted them by the Dingley act, been able to force up prices beyond the world's high level.

THE FARMERS AND TRUST PLUNDERING.

It is estimated by statistical experts that the special privileges granted to the Trusts and Combines by the Republican party through the tariff and other legislation takes from the people, without giving anything in return, about two billion dollars' worth of products annually—\$125 per family each year. This estimate was published in the Pennsylvania Grange News September, 1904, the authorized organ of the organized farmers of

that state. These figures are arrived at by adding together the monopoly extortions from farmers, business men and wage-earners they probably exceed two billion dollars per annum. This is based upon four estimates.

(1) In the last annual report of the Master of the National Grange, Mr. Jones, of Indiana, a Republican, says: "More than \$150,000,000 has been lost to the live stock industry in the past year by the manipulations of the meat trust. If the entire product of the farm—wheat, corn, hay, cotton, live stock, dairy and fruit—is taken into account, farmers have lost more than \$700,000,000 in the past year through manipulations of combines and trusts. * * *. Farmers have also suffered another great loss in the purchase of supplies needed in their business."

(2) The yearly earnings in all the gainful occupations are about twenty billion dollars. That one-tenth of this goes to monopolists from excessive charges, is a conservative estimate. For example, the dividends of the Standard Oil Company for 1901 were 48 per cent. of its capitalization. And 47 other trusts averaged 7.44 per cent. on their capitalization of that year. This capitalization averaged about three times the amount of capital invested, making a 22 per cent. dividend on capital invested. In railways the profits for 1901 were as high as 16 per cent. on the par value of some of the stocks, which doubtless were half watered, thus making a rate as high as 32 per cent. of the capital invested in some roads.

(3) The capitalization of certain specified monopolies of the country is shown in "The Truth About Trusts" to be twenty billions of dollars, while all the other capital in the country is only eighty billions of dollars. In other words, the capitalization of the principal monopolies is one-fifth the total capitalization of the country, and much of the monopoly capitalization, such as Standard Oil stock and street railway stocks, is earning so much that it sells at from two to eight times its face value.

(4) The tax levied last year by means of the monopoly prices of the American Steel Trust has been carefully estimated by Mr. Byron W. Holt, an eminent statistician. He places it at \$160,000,000. This of itself is ten dollars per family for the year.

REPUBLICAN OPINIONS OF THE DINGLEY TARIFF LAW.

From Speech of Governor Cummins of Iowa.

"All the robberies and thefts committed by all the insurance officers since life insurance was first originated do not amount to as much extortion as the Dingley bill for one year."

Authorized Interview at Washington, D. C., of Alvin H. Sanders,
President of the American Reciprocal Tariff League.

"I have not abandoned hope that this Congress will make some move in the interest of fairer trade relations with our foreign customers. It is inconceivable to me that the leaders of the Republican party should commit the political blunder of going before the people this fall with stand-patism as one of the main issues. The corn-belt States will sooner or later send men to Washington who will represent their interests in an aggressive way on this proposition. They want honest protection to interests that need it, but they insist upon an

energetic effort being made to open the markets of Continental Europe to our corn, wheat, flour, beef, pork, cattle, hogs, etc. They believe they are being sacrificed at the behest of certain manufacturing interests that do not need the excessive tariffs provided by the Dingley law of 1897.

"If we could 'tote fair' with Continental Europe we could sell at least \$100,000,000 worth more of American agricultural products than we are now supplying. Surely this is a matter entitled to the serious consideration of the National Legislature. We have been selling to Germany, even under the restrictions imposed upon us in recent years, more than \$50,000,000 worth of farm products other than cotton and tobacco. That this could be run up to \$100,000,000 under fair reciprocal arrangements is self-evident. The idea, therefore, that we can view with equanimity the closing of that outlet for our foreign surplus, and that we can afford to disregard the European tariff combine against us, is a proposition that cannot be successfully defended in the Middle States.

"That representatives of the great farming States should lend themselves to the perpetuation of a policy that is robbing our producers of important vents for the ever-growing surplus of our farms appears to me a monstrous proposition."

Interview in New York Sun, November 14, 1905, of Representative Babcock, of Wisconsin.

"What would revision by the coming Congress, through the committees of House and Senate, as now constituted, amount to? Those committees are dominated by men who favor the high protection idea, Chairman Payne and Representatives Dalzell and Grosvenor would head the Republican sub-committee to draw the bill, and none of them would support such a measure, as the Republican friends of revision want."

Speaker Cannon in New York Tribune, December, 1905.

"If some fellow did introduce a tariff bill, and it was argued and argued, and at the end of twelve months its advocates could gather together enough votes to pass it, the country being held up by the tail in the meantime, I think you'd find that the new law would have just as many outrageous things in it as are found in the Dingley tariff act."

WHAT REPUBLICANS SAY ON TARIFF.

A REPUBLICAN GOVERNOR INSISTS ON FREE RAW MATERIAL.

Governor Guild of Massachusetts is quoted as saying: "He would not run for governor on any platform less liberal than that of last year. He insists upon putting five articles on the free list—iron ore, coal, lumber, hides and paper pulp wood stock."

Governor Guild is another Republican governor that the Roosevelt stand-pat letter leaves outside the party trenches.

SPEAKER CANNON'S OPINION.

An extract from a letter written by Speaker Cannon to Col. John N. Taylor, of the Knowles, Taylor & Knowles Pottery Company, at East Liverpool, Ohio, was published in the Washington Post on April 5, as follows:

"I am satisfied there will be no tariff revision this Congress, but it goes without saying that the desire for a change which exists in the common mind will drive the Republican party, if continued in power, to a tariff revision. I do not want it, but it will come in the not distant future."

EXPORTS OF MANUFACTURES.

LARGE INCREASE FOR THE LAST YEAR.

A statement issued by the Bureau of Statistics, Department of Commerce and Labor, shows that the exports of manufactures for the year ending June 30, 1905, amounted to \$543,620,297, against \$452,445,629 in the preceding year. The growth in exports of manufactures far exceeds the growth of population or the growth in commerce as a whole.

Iron and steel manufacturers supply about one-fourth of the manufactured articles exported, the total in 1905 having been \$134,727,921, as against \$111,948,586 in the preceding year, an increase of nearly twenty-three million dollars. Steel rails showed an increase of \$6,000,000, chiefly in shipments to Canada, South America, Mexico, the West Indies, and Japan and other oriental countries, in several of which railway development is proceeding at a rapid rate. Machinery also showed an increase of more than six million dollars over 1904. A conspicuous feature is the large increase in exports of locomotives to Japan, 151 engines having been sent thither in 1905, as against 74 in the previous year. Mexico and Argentina increased their purchases of American sewing machines, while Japan increased her purchases of electrical machinery and builders' hardware, each in a substantial degree.

Copper manufactures, consisting largely of pigs and bars, form the item of second importance, the total being \$86,225,291 in 1905, as compared with \$57,142,081 in the preceding year. This growth of practically \$30,000,000 in a single year is accounted for by an increase of nearly \$10,000,000 in exports to China, \$3,000,000 to the United Kingdom, \$1,500,000 to France, \$3,000,000 to Germany, \$4,500,000 to Netherlands, \$1,250,000 to Russia, and nearly \$2,000,000 to other countries.

Refined mineral oil ranks third in the exports of manufactures, the total being \$71,888,317, as against \$71,753,552 in the preceding year. The quantity increased from 847,000,000 gallons in 1904 to 951,000,000 in 1905.

Cotton manufactures present one of the striking features of the year's export record, having advanced from \$22,403,713 in 1904 to \$49,666,080 in the year just ended. The growth occurred chiefly in cotton cloth exports, \$14,696,199 being the total in 1904 and \$41,320,542 the figure for 1905. To China there was an increase of about 400,000,000 yards over last year's exportation of 76,900,000, and the value of our cotton cloth exports to that country increased from \$4,000,000 in 1904 to \$27,750,000 in 1905. Japan was the only other country to show a considerable increase in takings from us, the total being 16,000,000 yards, valued at \$1,125,000, as against less than 440,000 yards in 1904, valued at \$55,000.

Leather, and manufactures of, fourth in importance in the list, showed an increase of \$4,000,000, the total in 1905 having been \$38,000,000, as compared with \$34,000,000 in the preceding year. In this class, also, Japan should be credited with the chief increase. To Japan we exported 16,000,000 pounds of sole leather, valued at \$4,146,428, as against 2,000,000 pounds, with a valuation of about \$500,000, in the preceding year. The increase in boots and shoes is principally in exports to the West Indies and Mexico, each of those countries being credited with about \$400,000 in excess of the 1904 figures, while the total increase in boot and shoe exports to all countries was but little over \$818,000.

AGRICULTURAL IMPLEMENTS EXPORTED.

Other important articles exported were: Agricultural implements, \$20,750,000; chemicals, drugs, dyes, etc., nearly \$16,000,000; wood manufactures, \$12,500,000; cars, carriages and vehicles, \$10,666,000; scientific instruments, \$8,000,000; paper and manufactures of, \$8,250,000; paraffin and paraffin wax, \$7,750,000; fiber manufactures, \$6,750,000; tobacco manufactures, \$5,666,000; books, maps, etc., nearly \$5,000,000; and india rubber manufactures, \$4,750,000.

The following table shows the values of the principal articles of domestic manufacture exported from the United States in the fiscal years 1904 and 1905.

Articles.	1904. Dollars.	1905. Dollars.
Agricultural implements.....	22,749,635	20,721,741
Blacking	597,397	599,366
Books, maps, etc.....	4,347,304	4,844,160
Brass, and manufactures of.....	2,557,484	3,025,764
Bricks	499,427	642,501
Candles	510,183	701,357
Cars, carriages, and vehicles.....	10,936,618	10,610,437
Cement	530,216	1,484,795
Chemicals and drugs.....	14,480,323	15,859,422
Clocks and watches.....	2,281,195	2,316,414
Copper, and manufactures of.....	57,142,081	86,225,291
Cotton manufactures.....	22,403,713	49,666,080
Earthen, stone and chinaware.....	692,834	880,827
Fiber manufactures other than of cotton..	6,414,636	6,766,809
Glass and glassware.....	1,978,481	2,252,799
Gunpowder and other explosives.....	2,441,596	2,559,837
India-rubber manufactures.....	4,436,124	4,780,817
Instruments and apparatus for scientific purposes	8,297,723	8,172,980
Iron and steel manufactures.....	111,948,586	134,727,921
Jewelry, and manf. of gold and silver.....	1,365,654	1,419,225
Lamps and chandeliers.....	1,502,888	1,579,125
Leather, and manufactures of.....	33,980,615	37,936,745
Malt liquors.....	854,119	1,012,808
Marble and stone manufactures.....	1,372,001	1,055,220
Musical instruments.....	3,230,982	3,144,787
Oils, mineral.....	72,487,546	73,433,787
Paints, pigments, and colors.....	2,756,581	3,126,317
Paper, and manufactures of.....	7,543,728	8,238,088
Paraffin and wax.....	8,859,964	7,789,160
Plated ware.....	693,618	703,783
Silk manufactures.....	466,519	620,572
Soap	2,499,933	2,670,687
Spirits, distilled.....	2,276,826	2,572,152
Tobacco manufactures.....	5,042,719	5,690,203
Wood manufactures.....	12,981,112	12,560,935
Wool manufactures.....	1,987,938	2,035,054
Zinc manufactures.....	258,710	1,319,619
All other manufactured articles.....	17,008,912	19,872,712
Total manufactures.....	452,415,921	543,620,297
Total agricultural products.....	853,643,073	821,074,439
Total, all other articles.....	129,120,023	127,049,959
Grand total domestic exports.....	1,435,179,017	1,491,744,695
Foreign merchandise exported.....	25,648,254	26,817,025
Total exports.....	1,460,827,271	1,518,561,720

SALT INDUSTRY.

A bulletin issued by the United States Geological Survey states that the production of salt in the United States during 1904 was 22,030,002 barrels (of 280 pounds), valued at \$6,021,222, as compared with 18,968,089 barrels, valued at \$5,286,988 in 1903. This is the largest production ever reported except in 1902, but the average net price per barrel (27.332 cents) is lower than that reported in 1903 (27.873 cents) or in any previous year, with the exception of 1902, when the average net price realized was only 23.769 cents a barrel.

The most noteworthy feature of the year 1904 was the increase of 1,193,620 barrels in the production of rock salt. This increase was due in large part to the expansion of the salt industry of

Louisiana, where rock salt is easily and cheaply mined in the "mounds" which occur in the southern part of the State.

The chief salt-producing States are New York and Michigan, and the combined output from these two States amounts to about two-thirds of the total production of the United States. The five leading salt-producing States during 1904 were New York, 8,600,656 barrels; Michigan, 5,425,904 barrels; Ohio, 2,455,829 barrels; Kansas, 2,161,819 barrels, and Louisiana, 1,095,850 barrels.

The actual consumption of salt in 1904 was 23,116,971 barrels, or about 2.46 times what it was in 1880.

The imports of salt in 1904 amounted to 332,279,481 pounds. Great Britain contributed 98,943,611 pounds, worth \$301,696; Italy, 106,060,288 pounds, valued at \$75,756; Canada, 11,102,273 pounds, valued at \$27,529; West Indies, 105,160,371 pounds, worth \$89,878, and other countries 20,882,959 pounds, valued at \$20,371. The total value of all the imported salt was thus \$515,230.

During the fiscal year ending June 30, 1904, the movement of exported salt changed notably from the course of trade in the previous year. Exports to Japan dropped off about 38 per cent., probably on account of the war with Russia, but trade with Mexico more than doubled, and the already large exportation to the Dominion of Canada increased nearly 100 per cent. The total exports during the year ending June 30, 1904, were 25,508,577 pounds, valued at \$99,066, whereas in the year ending June 30, 1903, 16,446,380 pounds were exported at a valuation of \$70,296, an increase for 1904 of 55.1 per cent. in quantity, but of only 40.9 per cent. in value.

TARIFF SHOULD BE REDUCED.

TO CURB A TRUST IN MACHINERY—A LEADING REPUBLICAN SPEAKS.

BOSTON, MASS., February 20, 1891.

Testimony of Mr. Charles L. Lovering, treasurer of the Merrimac Mills.

The subcommission being in session in the rooms of the Home Market Club, Mr. Clarke, presiding, at 3 o'clock p. m., Mr. Charles L. Lovering, of Boston, treasurer of the Merrimac and other mills, was introduced as a witness, and, being duly sworn, testified as follows:

Q. (By Mr. Clarke.) Please give your name and postoffice address.—A. Charles L. Lovering; Taunton is my voting place and Boston my living place; postoffice box 2344, Boston.

Q. Please state your official relation to manufacturing companies.—A. I am treasurer of several corporations.

Q. Name them or some of them.—A. Yes; of the Massachusetts Cotton Mills, of Lowell; the Merrimac Manufacturing Company, of Lowell; the Massachusetts, in Georgetown, Ga.; the Merrimac Manufacturing Company, at Huntsville, Ala. The Alabama concern is not a separate corporation; it is a part of the northern mills; it is a property I am not particularly familiar with.

Q. Any other mill in Massachusetts except at Lowell?—A. I am treasurer of the Whittington Manufacturing Company, at Taunton, but it so happens that my brother does most of the work. He is the assistant treasurer and does whatever has to be done there except when we want a little money or cotton.

Q. Are all these mills engaged in manufacturing cotton goods?—A. Entirely.

A VICTIM OF PROTECTION WANTED TARIFF REVISION.

Q. (BY MR. CLARKE.) WOULD YOU LIKE TO HAVE THE TARIFF REVISED OR LET ALONE?—A. I WOULD LIKE TO HAVE IT REVISED. I AM AN EXPORTER. I WANT THE WORLD.

Q. HOW WOULD YOU LIKE TO HAVE IT CHANGED?—A. THAT I AM NOT ABLE TO TELL YOU. I CANNOT GO INTO THAT DISCUSSION, BUT I KNOW THERE ARE PLACES WHERE WE ARE A LITTLE BIT HANDICAPPED. FOR INSTANCE, IF I WANT TO MAKE A REPAIR UP HERE AT THE MILL AT LOWELL OR IN THE SOUTH I AM HANDICAPPED WITH THE HIGH COST OF MACHINERY—TWO AND A HALF TIMES AS MUCH AS THE ENGLISH PRICE. THE ENGLISH CAN BUILD A MILL AND CAPITALIZE IT AT A THIRD OF WHAT WE CAN HERE. THAT MEANS SOMETHING IN THE COST OF GOODS IN THE LONG RUN.

Q. YOU WOULD LIKE TO BE ABLE TO GET CHEAPER MACHINERY?—A. I WOULD LIKE THE MACHINERY SOMEWHAT REDUCED. THE MACHINERY BUILDERS OF THIS COUNTRY ARE SO WELL PROTECTED THAT UNDER THE PROTECTION THEY HAVE A SCHEME WHEREBY THERE IS BUT ONE PRICE FOR ANYTHING IN THIS COUNTRY.

Q. DOES THIS FACT APPLY TO MACHINERY ON WHICH THEY HAVE PATENTS, OR OTHERWISE?—A. I DO NOT REFER TO THE PATENT PART OF IT. THE TIME WAS, A FEW YEARS AGO, WHEN THEY COULD GET TWO OR THREE PRICES ON MACHINERY. THEY SAID THEY DID NOT MAKE MONEY THAT WAY. I AM NOT GOING TO DISPUTE THAT, BUT WHEN YOU GET THE PRICE OF GOODS WAY DOWN BELOW, WE CANNOT GET THE MACHINERY DOWN TO HELP US OUT ANY.

Q. YOU THINK THE HIGH PRICE OF MACHINERY, THEN, IS LARGELY ON ACCOUNT OF THE DUTIES ON IT?—A. I THINK THE MANUFACTURERS ARE ENABLED UNDER THE DUTIES TO COMBINE. FOR INSTANCE, SEVERAL YEARS AGO I WAS INTERESTED IN A LARGE COTTON-YARN CONCERN; AND AT THAT TIME WE COULD BRING ALL OUR CARDS FROM ENGLAND AT A LOW PRICE BECAUSE WE COULD BRING THEM HERE AND PAY THE DUTIES AND SAVE QUITE A LITTLE AMOUNT AND GET AS GOOD A CARD. A RING-SPINNING FRAME IS BETTER BUILT IN THIS COUNTRY THAN ABROAD. A LARGE PROPORTION OF THE MACHINERY ALL THROUGH THE CARDING ROOM IS EQUALLY GOOD ABROAD, AND COULD BE GOT AT A LESS FIGURE AT THAT TIME. BUT I AM NOT A COMPLAINER IN ANY SENSE. I DO NOT THINK WE CAN GO ON IN THIS COUNTRY MAKING COTTON GOODS AT THE RATE WE ARE NOW MAKING THEM WITHOUT AN OUTSIDE MARKET AND A MUCH LARGER ONE THAN WE HAVE TODAY.

Q. Do you think there is anything in the way of getting that market except the high cost of machinery?—A. I do not know that I would say that there is not. There are some countries I imagine we cannot get into. I have not much knowledge about it. *There are countries we cannot put our goods into.*

Q. Then any change in our tariff would not affect that?—A. It might. *We might be able to get into other countries.*

Q. (By Mr. LITCHMAN.) Have not they got the advantage of the importation of machinery without the payment of duty?—A. Oh, yes; Germany has.

Q. How could you possibly get into those countries?—A. We do not expect to put any cloth into Germany or England.

Q. HOW COULD YOU GET INTO THE COUNTRIES THAT GERMANY SUPPLIES, EXCEPT BY A REDUCTION IN THE PRICE OF LABOR?—A. I TELL YOU NOW I HONESTLY THINK THAT NOTWITHSTANDING THE HIGH COST OF LABOR PER

YARD IN THIS COUNTRY A GREAT MANY GOODS ARE MADE AT AS LOW A PRICE AS THEY ARE MADE IN GERMANY WITH LOW-PRICE LABOR.

Q. ON ACCOUNT OF SUPERIOR SKILL AND PRODUCTION?

A. YES; BETTER CLIMATE, ETC. BUT I AM NOT MUCH OF A TALKER ON THE TARIFF, EXCEPT THAT I WANT ALL THE OUTSIDE MARKETS WE CAN GET; AND I AM FREE TO SAY WE CANNOT GO ON AND MAKE GOODS AS WE ARE NOW DOING WITHOUT SUCH MARKET.

Q. (B. MR. CLARKE.) DOES THE PROSPECT OF REVISING THE TARIFF HAVE ANY EFFECT ON BUSINESS GENERALLY?

A. *IT DOES, BUT IT IS A THING WHICH THE PEOPLE WILL GET OVER AFTER A WHILE.* SOMETIMES YOU HAVE TO HAVE A HERCULEAN OPERATION TO CURE A MAN—CUT OFF HIS LEG OR SOMETHING.

Q. THE BUSINESS DEPRESSION, THEN, INCIDENT TO A REVISION WOULD NOT DETER YOU FROM ADVISING A REVISION?—A. NO; IT DOES NOT. I SHOULD NOT BE INTELLIGENT ENOUGH TO MAKE A REVISION; I DO NOT KNOW ENOUGH ABOUT IT, BUT I THINK THAT TO LIVE AND LET LIVE THE WORLD OVER IS RATHER THE BEST WAY TO GET ALONG.

Q. YOU THINK THE COTTON-GOODS SCHEDULE CAN STAND ANY REDUCTION?—A. *ALMOST EVERYTHING I MAKE CAN GET ALONG WITHOUT ANY TARIFF, BECAUSE WE CAN BEAT ENGLAND NOW IN MANY MARKETS.* THE ENGLISH CANNOT MAKE A DRILL OF THE SAME CAPACITY, OF THE SAME STANDARD AS WE MAKE, AND COMPETE WITH US IN CHINA. THEY MAKE AN INFERIOR DRILL AND THEREFORE GET THERE.

Q. If you had no duties would there be any danger of the dumping of the surplus stocks in this country so as to demoralize the market? A. I do not think so. But everybody must be treated with the same consideration, in my opinion. I do not think you can discriminate in my favor against somebody else making finer yarn.

Q. NOTWITHSTANDING THE PRACTICAL DIFFICULTY OF REVISING THE TARIFF YOU WOULD STILL RECOMMEND IT? A. *I WOULD RECOMMEND A LOWER TARIFF.* IT OCCURS TO ME IF THERE WAS A LOWER RATE OF DUTY PROPERLY APPLIED TO ALL PRODUCTIONS IT MIGHT BE BETTER FOR THE COUNTRY. WE GO TO WORK AND MAKE GOODS AT A HIGH COST, AND THEN RAISE THE LABOR; AND EVERYTHING THAT LABOR HAS TO BUY IT HAS TO PAY MORE FOR, SO THAT IT IS NOT MUCH BETTER OFF. I THINK, HOWEVER, LABOR IS AS WELL PAID TODAY AS I HAVE KNOWN IT TO BE IN THIS COUNTRY.

Q. ARE THE GOODS YOU SELL MORE EXPENSIVE THAN A WHILE AGO?—A. A GOOD DEAL. IT IS NOT TWO YEARS SINCE THAT OUR GOODS HAVE INCREASED IN COST AT LOWELL 20 PER CENT. THE INCREASE IS 25 PER CENT. SINCE 1888.

Q. What is that increase in cost due to?—A. To two 10 per cent. advances in labor, which makes 20 per cent; AND IN THE SUPPLIES THAT GO INTO IT.

Q. IF THE TARIFF WAS REDUCED, WOULD NOT LABOR HAVE TO BE CONTENT WITH A LESS WAGE?—A. YES; BUT IT COULD BUY WHAT IT GETS FOR LESS. THE POINT IS, THE LOWER YOU CAN OFFER A COMMODITY TO THE WORLD THE BIGGER BUSINESS YOU CAN DO. YOU CAN DO TWICE AS MUCH BUSINESS WITH CHINA WITH A DRILL AT 5 CENTS AS AT 7 CENTS. THE SAME IS TRUE IN SOUTH AMERICA; IT IS ALSO TRUE IN AFRICA. THOSE ARE THE GREAT CONSUMING COUNTRIES OF THE COARSE PRODUCTS MADE NORTH AND SOUTH IN THIS COUNTRY.

Q. Before this present war in China, were the Chinese manufacturing cotton goods to some extent?—A. Yes; to some extent. I do not know to how great an extent, but their goods never interfered with

well-made and well-constructed American goods. They did not take the same place. They went to parts of China where they were willing to wear an inferior article.

Q. Do you know of any reason why they cannot produce as good goods there as you can here?—A. I do not think they can. The morale of the country or of the labor there is not at all commensurate or to be compared with ours. The very idea that a man can live on a cent's or two-thirds of a cent's worth of rice does not to my mind permit him to compete with the man that lives on a piece of beef.

Q. Are you familiar with cotton goods made in India?—A. I have seen them.

Q. How do they compare?—A. I do not think they are as good as goods made in England.

Q. Have you seen any of the Japanese cottons?—A. Yes.

Q. How do they compare?—A. Very well made, indeed.

Q. Do you understand the cotton manufacturing industry is rapidly increasing in Japan?—A. It is said to be and must be, because I believe the Japanese took something like 100,000 bales of cotton from this country last year.

Q. Do you know what it costs per yard to bring cotton North from Alabama to New York?—A. No; I cannot tell you. I was shipping some goods to Shanghai; I believe that is where they were to go. We had already contracted to ship some by way of California direct from the Southern mill, making the New York allowance of freight 53 points. We made some shipments that way, but it came out we could send the goods by way of New York and by way of the Suez Canal for 98 points, whereas they went for 115 from the Southern mill, against which we allowed 53 points.

Q. You understand Japan is exporting some cotton yarns and cotton cloths.—A. I have heard so.

Q. Do you know how wages compare in Japan with Massachusetts? A. I do not. I suppose they must be a great deal less.

(Vol. XIV, Industrial Commission's Report, Page 528 to 533.)

WAGES.

DISASTROUS EFFECT OF McKINLEY TARIFF ON WAGE-EARNERS.

When the McKinley tariff went into effect wages were cut down in nearly every industry, on the products of which increased duties were imposed. Here are a few of these reductions taken from a much larger list published in the Tariff Reform of July 30, 1892.

OCTOBER, 1890.

October 16. The Richland and Nelson miners, at Dayton, Tenn., to the number of 1,200, are on a strike against a reduction of wages.

October 16. Miners and mine laborers are requested to stay away from Etna coal mines, Tennessee, as there is a strike there against the reduction in wages. The place is crowded with the unemployed.

October 21. The members of the Leather-Worker Protective Association, K. of L., are on a strike at the morocco factory of McDermott & Howard, Schenck street and Park avenue, Brooklyn, N. Y., as their wages had been reduced from \$12 to \$9 per week, and more work was expected of them than before the reduction.

October 28. The silk ribbon weavers at Boss Levy's shop in New York city had their wages reduced last week about 10 per cent. The reduction is now being taken off, as the men threatened to strike.

NOVEMBER, 1890.

November 17. Textile workers should not go to Lowell, Mass., where the wages of the mill hands have been reduced.

November 18. Spinners in Clark's O. N. T. mills at Newark, N. J., and Kearney, N. J., have had their wages reduced gradually, and since the McKinley Bill passed, instead of the promised advances, there has been a further reduction of 9 per cent. They now threaten to strike and throw out 450.

November 20. Two thousand girls employed in the trimming departments of the eighteen hat factories connected with the Fur Hat Manufacturers Association, in Danbury, Conn., were locked out yesterday.

November 24. The vest makers of J. Rosenbaum, 118 Avenue D, New York city, are on a strike against a reduction of wages.

DECEMBER, 1890.

December 4. At Brooklyn over two thousand cigar-makers have been idle a month. They make from \$5 to \$10 a week.

December 4. The Safe Harbor Rolling Mills in Lancaster, Pa., has shut down for an indefinite period.

December 11. There may be a general strike of the 5,000 pottery workers throughout the United States, as the association

of potteries (the trust) has announced a reduction of wages amounting to 10 and even 40 per cent.

December 11. Report from Newark, N. J., says: "Three thousand are out here because the Clark mills at Newark and Kearney are shut down."

December 18. The large Pond Machine Tool Company of Plainfield, N. J., has to discharge men because of dullness instead of employing more, as they said they would under the McKinley bill. Prices of tools have increased.

December 18. A general reduction of wages of 15 to 20 per cent. has been announced to the silk-ribbon weavers at Adams mills in Patterson, N. J., making the average wages now about \$7 per week.

December 31. Springfield, Ill., miners in the West end coal mines struck against 10 cents per capita tax by the company.

JANUARY, 1891.

January 1. Lackawanna Iron and Coal Company, Scranton, Pa., an average wage reduction of 20 cents per day.

January 1. *Homestead Steel Works, Carnegie, Phipps & Co., reduction of wages 10 per cent., by agreement.*

January 1. Pullman Palace Car Company's works; new scale, making a wage reduction of about 10 per cent.

January 8. The Frick Coke Company, in Scottdale, Pa., has given notice that they will shut down 1,100 more coke ovens indefinitely next week, which will throw about 1,200 men out of employment. No cause is given for the shut-down. There are now 4,000 idle coke ovens in that region.

January 8. The shops of the Illinois Steel Works in Chicago, except the blast furnaces, shut down Wednesday night. One thousand five hundred men were thrown out of employment.

January 15. Four hundred men were laid off at the Scranton Steel Mills at Scranton, Pa., owing, it is said, to the dullness of the steel trade.

January 15. The Scottdale Rolling Mills and Pipe Works and the Charlotte Furnace at Scottdale, Pa., have shut down indefinitely. One thousand men thrown out of employment.

January 16. Report from Massachusetts says the Zylonite Works, at Adams, now partly closed, are to be shut down entirely by the celluloid trust, to which it belongs. Seven hundred will be thrown out of work.

January 21. The lasters are preparing for a general reduction of wages to be proposed by the Shoe Manufactory Association (the trust).

January 22. A dispatch from Cleveland, Ohio, says that 16 blast furnaces, all but two in the Mahoning Valley, have been shut down in pursuance of an agreement reached two weeks ago. Ten thousand men are thrown out of employment.

January 22. Mechanics and laborers are warned to stay away from Galveston, Texas. The place is crowded with men out of employment. There is no work to be had and wages are down to starvation point.

January 22. The window glass works at Zanesville, Ohio, controlled by the United Glass Company, have shut down for an indefinite period.

January 22. The employees of the Cambria Iron Company have been notified of a reduction of 10 per cent. in their wages. This will affect 5,000 men from workers to miners.

January 22. A despatch from Ashland, Pa., says that orders have been issued from the Reading Coal and Iron headquarters to stop work at the North Island, Monitor, Merriam and Otto collieries. Several hundred men will be thrown out of employment.

January 29. *One thousand employees of the Bethlehem Iron Company, in Bethlehem, Pa., have been informed of a reduction of wages of 10 per cent. after February 1. Depression in the trade is attributed as the cause.*

FEBRUARY, 1891.

February 2. Brooks Iron Company, Birsborro, Pa., closed and 450 men thrown out of work because they refused to accept a reduction of 7 per cent.

February 2. The Crane Iron Works, Allentown, Pa., a wage reduction of 10 per cent. took place.

February 6. The silk ribbon weavers of Steinhart's shop on Fiftieth street, New York city, who went out on a strike against a reduction of 25 per cent., have compromised with the firm, accepting a reduction of 15 per cent.

February 10. Sixteen thousand coke workers strike against a reduction of wages of 10 per cent., demanding on the other hand a 12½ per cent. advance and eight hours instead of nine.

February 12. The works of the Ellis & Lessing Steel and Iron Company, in Pottstown, Pa., were closed on Monday. About 700 men were employed.

MARCH, 1891.

March 5. The Big Run colliery at Ashland, Pa., shut down on Saturday for an indefinite period. The suspension will affect 300 men and boys.

March 6. Illinois Steel Company: 2,500 men idle, owing to their refusal to accept what appears to have been a reduction.

March 12. Over five hundred men at the Wanskuck Mill, Providence, R. I., went out on a strike last week on account of a reduction in wages.

March 12. The Scranton Steel Mill has given notice to its 750 employees of a reduction in wages to take effect March 15.

March 12. Crane Iron Work laborers are down to \$1 per day.

March 19. The Bear Ridge, Beechwood, and Reliance collieries, at St. Clair, Pa., operated by the Reading Company, suspended on Saturday for an indefinite period. The North Franklin will shut down soon. This adds 2,000 men and boys to the number of the unemployed.

March 19. Work at the coal mines of Rondville, Hocking Company, Ohio, has suspended for several weeks. The miners are in a destitute condition and the families of many of them are suffering for the necessities of life.

March 19. Workingmen are warned from going to Blocton, Ala., more than 300 idle men in town.

March 26. One hundred and thirty ribbon weavers in the Pioneer Silk Mill in Paterson, N. J., were locked out by the firm last week.

March 26. The 1,000 girls and men employed by the Armstrong Bros. & Co., cork manufacturers, went out on a strike last week.

March 28. The Lochiel Iron Works at Harrisburg, Pa., have shut down.

APRIL, 1891.

April 1. The Reading Iron Company's 2,000 employees were told on March 27 that a reduction of wages would be made.

April 2. The iron mining companies of the Northwest have reduced wages 10 per cent. or more; many thousand men are getting less pay and deprived of work.

April 9. Twelve brick manufacturing firms of Trenton, N. J., have announced a reduction of wages of from 15 to 20 per cent. The reason assigned is a falling off in the demand for brick.

April 15. Three hundred shirt makers are locked out by their bosses in New York city.

April 24. The tin, sheet and iron workers employed at the Jordan L. Moot Iron Works, New York city, are on a strike against a reduction of wages.

April 29. The skilled laborers of Paterson, N. J., who formerly earned from \$25 to \$35 per week, complain that they average from \$10 to \$12 at present.

April 30. Mechanics, miners and laborers are requested to stay away from Butte City, Mont., as the camp is crowded with idle men. The largest mine has been closed down and more than 1,800 have been discharged.

MAY, 1891.

May 7. From the formation of the trust in straw goods the workers of that trade are expecting a general reduction of wages throughout the country and the dismissal of many union men, as the managers have prepared a black list.

May 7. The cigar makers of New York and Baltimore, the leather finishers of Newark, N. J., the morocco workers of Lynn, Mass., the weavers of Hopedale, Mass., the spinners of Lowell, Mass., the coal miners of Illinois, the hat makers of Melburn, Mass., and the employees of the Crane Coal Company of Catasauqua, Pa., all had their wages reduced on this day. Some of these bodies of men struck.

May 14. The Journal of the Knights of Labor says:

"Notwithstanding the fact that the manufacturers of sanitary ware at Trenton, N. J., even before the passage of the present tariff bill, and while acting and in singly and in competition with each other, were making adequate profits and needed no further protection; notwithstanding the fact that by the present tariff bill duties are so heavy that foreign competition is impossible; notwithstanding the fact that by the formation of a trust they can and do enact a scale of prices which must of necessity be paid for their wares, as the people have no redress and are at the mercy of the members of the trust, no sooner HAS THE NEW TARIFF LAW BEEN SIGNED

BY THE PRESIDENT THAN THE TRUST ARBITRARILY ISSUES ITS DECREE REDUCING THE WAGES OF ITS WORKMEN 26 TO 32 PER CENT. ON THE PRICE PAID BEFORE FOR ITS LABOR." * * *

May 21. The Howard Match Company, of Boston, will discharge 100 men and run on three-quarter time after June 1.

May 28. Nearly all the large cigar factories in Key West are closed. Four thousand cigar makers are out of employment.

May 28. The Pennsylvania Saw Company, recently bought up by the saw trust, has been closed.

JUNE, 1891.

June 25. Fall River's 22,000 textile workers are threatened with 10 per cent. reduction.

June 26. The great Anaconda Mining Company has shut down for months. There are crowds of idle miners in this camp who cannot secure employment.

June 30. The Southern Steel Company, Chattanooga, Tenn., the Emma Blast Furnace, Cleveland, Ohio, Saxony Knitting Mills, Little Falls, N. Y., Merrimac Mills, Lowell, Mass., the Bates Mill, Lewiston, Me., the Adelaide Silk Mill, Allentown, Pa., all made a reduction in wages on this day.

JULY, 1891.

July 9. The Huntington Manufacturing Company, at Huntington, Pa., which is controlled by the Iron Car Equipment Company, of New York, has indefinitely suspended operations, throwing 350 men out of employment.

July 9. Six hundred men and boys in the Broad Top (Pa.) coal regions are becoming discontented because starvation stares them in the face on account of the three-month shut down.

July 16. The Cooke Locomotive Works, in Paterson, N. J., employing 1,000 men will close in a few days, owing to dullness in the season.

July 23. The proposed reduction in the pay of the Monongahela River miners from 3½ to 3 cents per bushel is likely to cause a strike of 6,000 and the shutting down of the works between August 1 and 15.

July 28. Last week five boss tailors have reduced the wages of their working girls who were locked out when they declared that they would not accept a reduction of wages.

AUGUST, 1891.

August 1. The wages of the Lehigh and Wilkesbarre Coal Company miners have been reduced.

August 13. The American Glucose Company, which has factories in Buffalo, New York and other cities, and agencies in some of the large cities, has commenced a general reduction in salaries and wages.

August 13. During the campaign of 1888, when protective tariff was the issue, the employees of the Arcade File Works, of Sing Sing, N. Y., one of the largest file manufactories in America, were

promised a large increase of wages if Harrison should be elected. This promise has not been kept. Wages were reduced last Friday from 30 to 50 per cent., according to the work done.

August 14. One hundred cloakmakers, cutters, finishers and pressers with Julius Stein & Co., 507 Broadway, Freedman Bros., 332 Canal street, and a few with Benjamin & Caspary, Broome street, New York city, strike because of low wages and a reduction of percentage to pay pressers.

August 20. Two hundred men employed by the Gloucester Iron Works, Gloucester, N. J., are out of work because they would not accept a reduction in their wages.

SEPTEMBER, 1891.

September 3. Trouble is ahead at Fall River. The Cotton Manufacturers Association met September 2 and voted to reduce wages. The reduction will take place October 5, and it is believed will average 10 per cent.

September 12. The tobacco workers in Gail & Ax's and Marburg Bros. factory, Baltimore, Md., let their organization go to pieces just before the big trust got hold on the factories, and wages are being reduced.

September 17. Girls working in the cereal works of Akron, Ohio, after submitting to a 50 per cent. reduction for two weeks, struck and issued an appeal to the Knights of Labor and the people. The firm for which these girls worked paid good wages until they were taken into the trust.

September 24. The Gap furnace and rolling mill at Hollidaysburg, Pa., which has been idle for some time, were sold last week to a New York corporation, which will begin work at once. The works employ 500 men.

September 24. The employees of the St. Charles Iron Furnace at Columbia, Pa., have been notified that the furnace will be blown out for an indefinite period. Nearly 300 men will be thrown out of work.

OCTOBER, 1891.

October 8. The American Waltham Watch Company has announced a reduction of 10 to 20 per cent. in the wages of 900 of its employees.

October 22. After a conference between General Manager Schwab, of the Edgar Thomson Steel Works at Braddock, Pa., and the converting mill employees a new scale has been decided upon.

October 28. Agricultural implements at Akron, Ohio, has recently cut down wages.

October 29. The watch manufacturers of Canton, Ohio, have cut down the wages of their men.

NOVEMBER, 1891.

November 4. John C. Dueber, Canton, Ohio, watch manufacturer, a firm believer in the high tariff to increase the wages of the workingmen, has given his employees the benefit of a 20 per cent. "readjustment" in wages from their pockets into his own.

November 6. The Union men in San Francisco breweries are to be locked out in order to break up the union and reduce wages.

November 12. The entire plant of the Oxford Iron and Nail Company at Oxford, N. J., was shut down Saturday. One hundred men were thrown out.

November 22. Hundreds of workmen are idle in Paterson, N. J., as many factories have laid off large numbers of their workers.

November 28. The great Pittsburg firm of Jones & Loughlin has reduced the wages of 500 employees from \$1.50 to \$1.35 per day. The men say that they are powerless to resist and there will be no strike.

DECEMBER, 1891.

December 3. The famous Dickerson mine, on Mine Hill, Hackettstown, N. J., has suspended operations. Hundreds of families will be compelled to go elsewhere to find employment.

December 17. The situation in the bituminous coal regions of Indiana, in which some 20,000 miners are on a strike against wage reduction, is a gloomy one for the diggers in the bowels of the earth.

December 17. The coopers employed at Mathieson & Weichers sugar refinery, Jersey City, N. J., are on a strike against a reduction in wages.

December 24. The Union Coal Company, Shamokin, Pa., collieries have shut down work and thrown 600 men out of employment.

December 31. John and James Dobson, manufacturers of plush in Philadelphia, have again reduced the wages of their weavers, and they are now 24 per cent. lower than before the McKinley bill was passed.

JANUARY, 1892.

January 4. The wages of the 3000 employees of the Elgin Watch Company, Elgin, Ill., have been cut from 15 to 60 per cent. and they threaten to strike. Several hundred of them walked out yesterday. * * * * *

It is asserted also that the employees of the Waltham Watch Company are about to strike against a reduction of wages.

January 7. Notices of an indefinite suspension of work were posted on Saturday at the Red Ash Collieries Nos. 1 and 2 at Wilkes-Barre, Pa.

January 14. New Year's Day was not a very happy one for the families of the unfortunate miners and puddlers of Oxford Furnace at Oxford, N. J. The mills of the Oxford Nail and Foundry Company have been shut down for over two months. Nobody knows when they will start up, and when representatives of the company are questioned about the matter they refuse to talk. It is a mystery how the people live. In many of the houses there has not been a coal fire for weeks. Every day children, thinly clad, can be seen going to the woods and returning with bundles of broken branches of trees to be used for fuel. * * * * * If something is not done soon families are likely to starve to death.

FEBRUARY, 1892.

February 14. Owing to the continual depression in the iron trade the Chesapeake Nail Works and the puddling department of the Central Iron Works shut down tonight, throwing between 200 and 300 men out of employment.

February 20. The Pottsville (Pa.) Iron and Steel Company will reduce the wages of its 600 employees at Pottsville 10 per cent.

February 20. The puddling department of the Central Iron Works at Harrisburg, Pa., shut down Saturday night, throwing 200 men out of employment. The men would not accept the reduction.

February 25. The Columbia Iron and Steel Company of Pittsburgh, whose plant is located at Uniontown, Pa., have made a demand for a reduction of 25 per cent. in the wages of their employees.

MARCH, 1892.

March 3. A cut from 10 to 20 per cent. was made among the piece workers in several works of the Singer Sewing Machine Works at Elizabeth, N. J., and caused great dissatisfaction among the 4000 employees.

March 8. Notices were posted yesterday in three rolling mills of Lebanon, Pa., of a reduction of wages of 12½ per cent. to go into effect on Monday, March 21. The reduction was made to tide over the dull trade and keep the hands employed.

March 10. A general reduction in wages of about 10 per cent. is being put in operation in the iron furnaces in Birmingham, Ala.

March 15. About 1000 trouser makers struck work yesterday because their employers refused to sign a contract with the union for the ensuing year. * * * * *

March 17. Twelve more iron furnaces at Birmingham, Ala., reduced wages 10 per cent. on Tuesday because of the low price of iron. The men accept the inevitable.

March 28. The Phoenix Iron Works, of Trenton, N. J., which has been working on government contracts, will permanently close. Over 200 workmen, receiving no encouragement, are seeking employment elsewhere.

APRIL, 1892.

April 6. Window glass factories will shut down May 31. * *

April 7. *Two hundred blacksmiths in the axle department of Carnegie's Twenty-ninth Street Mill in Pittsburg struck on Saturday against a 10 per cent. reduction in wages.*

April 10. The Keystone Iron Mills of Pittsburg, Pa., employing 400 men, shut down a week ago today for an indefinite period.

April 10. *Fifty of the best paid workmen at the Edgar Thomson Steel Works of Andrew Carnegie at Braddock, Pa., were discharged this week.*

April 13. The Quaker Oatmeal Mills of Ravenna, Ohio, employing 150 men, have shut down indefinitely. This is part of the American Cereal Company, "The Oatmeal Trust," to limit pro-

duction and force prices up in order that some return can be earned on its capital.

April 17. The Reading Iron Company of Reading, Pa., announces that a general reduction will be made in the wages of all employees in a few days, ranging from 5 to 10 per cent.

April 21. Of the eleven nail mills in Massachusetts nine are idle and the other two are making no profit.

April 25. It was reported that 600 men had been thrown out of work in the Lehigh Valley coal region by the combine of the Reading with several other railroads. * * * * *

MAY, 1892.

May 1. *There has been a reduction in the wages of Andrew Carnegie at his Lower Union Mills in Pittsburg. Seventy-five blacksmiths accepted the cut of about 20 per cent. without murmur, but seventy-five hammermen struck.* * * * * *

May 5. *The brickmakers of Philadelphia have been notified by their bosses that their wages will be reduced from \$3.25 to \$2.50 per day next week. A general strike will follow.*

May 11. Maine has lost her smelting industry. The Katahdin Iron Works, which suspended in 1890, has now removed to Pictou, Nova Scotia.

May 16. The Cigar-Makers' Union, No. 90, reports that at present about 700 cigar-makers are on strike in New York city, and that 400 more will strike this week, as the bosses intend cutting down wages by introducing the team-work system.

May 21. One hundred and fifty girls employed in the pearl button factory, Detroit, Mich., are on a strike against a reduction in their wages. The factory was started soon after the passage of the McKinley bill and was visited by Governor McKinley at the time of the Michigan Club banquet on February 22. The girls who were making \$3.50 a week will now only be able to make \$3.

JUNE, 1892.

June 5. At a mass meeting of the Cloth Hat and Capmakers' Union in New York today over 700 men, representing twenty-six out of thirty shops in the city, discussed the grievance of the wage reduction. It was said that during the last year several reductions in their wages at different times have made a total reduction of 70 per cent., and that during the best four months of the year the best men have been unable to earn more than \$6 a week. They will make an effort to get wages back above starvation point.

Pitiable as is the lot of these men, it is now worse than that of hatmakers elsewhere in this country since the McKinley bill came their way. A few years ago the hat factories of Bloomfield, Watsessung and East Orange, N. J., were prosperous and gave steady employment to hundreds of hands, nearly all of whom voted for "protection." The almost prohibitive duty on hatters' raw materials has caused the business to dwindle, until now no mill in Bloomfield is running on full time and many of the employees have sought work elsewhere.

June 16. The Pittsburg Forge and Iron Company, which employs 1000 men in its Allegheny Works, has notified its men that on July 1 a general reduction in wages must be made irrespective of any scale or rules of workmen in the tin-plate and sheet-iron industries.

June 19. The Minnesota mine at Tower, Minn., employing 1400, shut down last night by reason of a strike against a reduction of 10 per cent. in surfacemen's wages.

June 30. All the glass factories at Bellaire, Ohio, have been permanently shut down, the manufacturers claiming that they cannot compete with those located in natural gas towns. About 650 men are out.

June 30. Ten thousand miners in the San Juan district of Colorado will strike July 1 against a reduction of wages agreed upon by the managers.

JULY, 1892.

July 1. Rolling mill employees in Philadelphia, numbering upward of 1000, quit work last evening because of the refusal of their employers to sign the scale of wages that has been in force for several years. * * * * *

July 2. The Illinois Steel Company of Joliet, Ill., have given their men an annual dose of "protection." The rod mill went out on account of a 45 per cent. reduction, which they refused to accept. The entire plant was then shut down. * * * * * About 2700 employees are affected.

July 2. The 200 heaters, rollers and puddlers employed at the Hulmbacher Forge and Rolling Mills at St. Louis, Mo., quit work Thursday night and yesterday the plant was temporarily shut down. The mill people refused to sign the scale of wages as in force last year, and claim that to continue paying at the same price would mean that no profit would ever come out of their capital invested.

July 12. The Elm City Brewing Company's plant at New Haven, Conn., now lies dormant, and A. F. Schneider, of the company, says that there is no chance of the concern starting up while the McKinley bill is in force. It is dependent upon Canadian barley, and the price of this grain is now 50 per cent. higher than before the passage of the bill.

TRUSTS AIDED BY THE McKINLEY TARIFF.

By retaining the duty of 75 cents a ton on bituminous it caused the formation of the ANTHRACITE COAL TRUST, which has advanced prices on that most necessary article—coal.

It (McKinley Tariff) retained the already almost prohibitive rate of 6-10 cents per pound on barbed wire and the BARBED WIRE TRUST was formed January 1, 1891.

The BOOT AND SHOE COMBINE was materially strengthened by the protective duty of 25 per cent. on boots and shoes.

It raised the tariff on brooms to 40 per cent. and the BROOM TRUST formed in November, 1891, has since that time raised prices 75 cents per dozen.

“By the outrageous increase of the duty on pearl buttons to nearly 400 per cent. the BUTTON TRUST has been encouraged to plunder the American people.” (The Tariff Reform.)

The tariff on cartridges was increased to 45 per cent. and the CARTRIDGE TRUST has, since November, 1890, sold at prices nearly 100 per cent. higher than those of 1888, *but they have not ceased to sell to foreigners about 40 per cent. cheaper than to Americans.*

The CELLULOID TRUST is protected by a 20 per cent. duty and on January 16, 1891, threw seven hundred men out of employment by shutting down one of its works.

THE COPPER INGOT and COPPER SHEET TRUST are both protected by the McKinley Tariff and have proved very disastrous to the copper industries of the country.

As there has never been any imports of cottonseed oil, there was no excuse for the retention in the McKinley bill of any duty, but its effect is to protect the COTTONSEED OIL TRUST against the *reimportation of its own products, if it chooses to sell to foreigners at a price much lower than to Americans.*

The COTTON THREAD TRUST took prompt advantage of the McKinley act.

After the increased duty on terne plates was granted by the McKinley act, two associations of manufacturers united to form the GALVANIZED IRON AND STEEL TRUST, and prices have risen.

The LEATHER TRUST was formed under this tariff.

THE HARROW as well as THE HARVESTER TRUST both *sell to foreigners cheaper than to Americans.*

The prohibitive duties upon white lead was retained in the interest of the LEAD TRUST, which has made its prices still higher, *while it exports its surplus to Canada and other countries, selling there at a heavy discount.*

The duty on matches resulted in the formation of the MATCH TRUST, which has closed down factories, thrown hundreds of people out of employment and advanced the price of matches 50 per cent. per gross.

A duty of 15 per cent. was sufficient to build up the great PAPER BAG TRUST, yet Mr. McKinley generously increased the duty to 25 per cent.

The PLATE GLASS TRUST was protected by a duty of 100 per cent., and although the cost of manufacture steadily declined, the American consumer *paid the TRUST ten million dollars in one year for plate glass more than it could be purchased abroad.*

The POCKET CUTLERY TRUST, THE POWDER TRUST, and the WOOD PULP TRUST were all helped by the McKinley Tariff.

The SALT TRUST was born, and the price of salt advanced all along the line, just as soon as the McKinley act kept the duty on salt.

The SASH, DOOR AND BLIND TRUST was protected by a duty of 35 per cent.

The SCHOOL BOOK TRUST robs every parent who sends a child to school and was "protected" by a duty of 25 per cent.

The SMELTERS TRUST was formed immediately after the election of Harrison. The McKinley act insured its life by the retention in the tariff of the duty of 2 cents per pound in pigs and bars.

The SOAP TRUST was helped along by a duty of from 20 to 40 per cent.

The great STARCH AND DEXTRINE TRUST had its permanency assured by the McKinley tariff, and after this advanced its price of lump starch \$20 per ton.

The duty on steel rails was prohibitory, thereby aiding the STEEL RAIL TRUST.

The McKinley act abolished the duty on raw sugar, thus giving the SUGAR TRUST free raw materials, and then left it protection of half cent per pound on refined sugar.

The TINNED PLATE TRUST also obtained "protection" under this act.

The TRUNK TRUST was an outgrowth of the McKinley Tariff.

Duties on umbrellas were increased 55 per cent. and the UMBRELLA TRUST was formed very shortly thereafter.

The tariff of 25 per cent. on watches was retained and the WATCH TRUST *continues to charge Americans 25 per cent. more than foreigners.*

The duties on window glass, averaging about 100 per cent., were retained, and enabled the WINDOW GLASS TRUST to live and prosper.

It was not three months after the McKinley bill was passed before the WIRE TRUST had been perfected, the output decreased, numbers of employees discharged, the wages of others reduced 20 per cent. and the price of wire increased.

The Tariff increased the duty on screws likely to be imported, and the WOOD SCREW TRUST makes enormous profits, *while selling over 30 per cent. cheaper to foreigners.*

The YELLOW PINE TRUST was formed after the McKinley act went into effect and advanced prices.

The McKinley Act made possible the GLUCOSE TRUST.

SENATOR HALE ON THE McKINLEY TARIFF.

Senator Hale, January 28, 1892, said:

Senator Hale: "I do not hesitate, Mr. President, in stating here and now, as the result of my observation, that I firmly believe that section 3 of the McKinley bill, which contains the reciprocity feature,

is the part of the measure which has floated the whole act, and which kept it from being swamped by the storm which, without reason, broke upon it from the day of its passage. The great merits of other parts of the McKinley bill might have sunk under a sea of obloquy and would never have been seen and appreciated if the reciprocity clause had not kept the whole structure from going down." (Record Vol. 23, p. 621, 52d Con., 1st Sess.)

MCKINLEY TARIFF A FAILURE—PRODUCER OF DEFICITS AND PANICS.

The Harrison administration began March 4, 1889—the McKinley Tariff was in operation from October 6, 1890, to August 29, 1894—47 months. The Cleveland administration operated eighteen months under this tariff—from March 4, 1893, to the enactment of the Wilson Tariff Act, August 28, 1894. The McKinley Tariff produced a deficit in the *second* month of its existence (November, 1890); 11 others occurred *before* Cleveland was nominated (June, 1892); that is, twelve deficits all told out of a total of twenty months. Moreover, it produced six deficits in 6 months thereafter and *before* Cleveland was inaugurated (March, 1893), and 13 monthly deficits after his inauguration, causing a total deficit of over \$80,000,000 for the 47 months. There was a deficit of over \$9,000,000 *before* Cleveland's nomination and \$4,000,000 and over *between his nomination and his inauguration*—all under the McKinley Tariff.

The incontrovertibility of these statements is shown by a table prepared by and printed in a speech of Hon. John W. Gaines, and published in the Congressional Record June 20, 1906, pp 9044-9045, and given herewith:

Operation of the Treasury Department under the McKinley tariff act of October 6, 1890, repealed by the Wilson tariff act of August 28, 1894, covering a period of forty-seven months.

BEFORE CLEVELAND'S NOMINATION.

	Month.	Receipts.	Expenditures.
1	October, 1890 <i>a</i>	\$40,215,894.29	\$38,036,664.24
2	November, 1890.....	28,986,124.71	642,570,022.40
3	December, 1890.....	31,370,039.87	21,888,550.00
4	January, 1891.....	37,055,973.25	23,981,309.07
5	February, 1891.....	29,611,318.02	631,725,009.86
6	March, 1891.....	29,418,330.46	631,502,941.60
7	April, 1891.....	26,045,831.64	25,331,194.06
8	May, 1891.....	27,417,425.94	629,772,085.15
9	June, 1891.....	31,721,749.51	635,902,971.96
10	July, 1891.....	34,300,344.68	639,719,651.13
11	August, 1891.....	28,884,851.10	20,738,020.95
12	September, 1891.....	28,001,247.25	23,934,801.19
13	October, 1891.....	28,500,552.21	631,872,268.02
14	November, 1891.....	26,917,162.72	627,911,002.30
15	December, 1891.....	27,932,985.73	631,821,889.67
16	January, 1892.....	30,542,728.60	635,663,522.60
17	February, 1892.....	30,755,904.57	27,482,059.13
18	March, 1892.....	30,048,806.33	28,989,589.79
19	April, 1892.....	27,388,354.04	631,098,076.97
20	May, 1892.....	28,498,798.45	632,755,478.39
Total.....		\$603,674,423.37	\$612,697,108.48

Deficit for 20 months, \$9,022,685.11.

AFTER CLEVELAND'S NOMINATION.

	Month.	Receipts.	Expenditures.
21	June, 1892 ^c	\$31,219,117.98	\$28,940,634.25
22	July, 1892.....	34,571,356.25	637,249,407.04
23	August, 1892.....	34,032,928.53	32,080,779.53
24	September, 1892.....	31,841,278.66	28,917,798.74
25	October, 1892.....	31,836,138.21	631,881,250.18
26	November, 1892 ^d	28,794,645.38	630,748,882.78
27	December, 1892.....	33,212,911.10	634,277,123.58
28	January, 1893.....	35,209,972.31	639,253,381.68
29	February, 1893.....	30,009,892.23	631,677,454.00
Total.....		\$290,728,240.65	\$295,026,711.78

Deficit for 9 months, \$4,298,471.13.

AFTER CLEVELAND'S INAUGURATION.

	Month.	Receipts.	Expenditures.
30	March, 1893 ^e	\$34,437,844.99	\$32,372,997.73
31	April, 1893.....	28,599,942.29	633,771,365.73
32	May, 1893.....	30,971,497.64	30,872,502.79
33	June, 1893.....	30,983,921.85	29,266,451.30
34	July, 1893.....	30,905,776.19	639,675,888.60
35	August, 1893.....	23,890,885.30	633,305,228.48
36	September, 1893.....	24,582,756.10	625,478,010.17
37	October, 1893.....	24,553,394.97	629,588,792.34
38	November, 1893.....	23,979,400.81	631,302,026.41
39	December, 1893.....	22,312,027.00	630,058,260.51
40	January, 1894.....	24,082,738.97	631,309,669.59
41	February, 1894.....	22,269,299.46	626,725,373.84
42	March, 1894.....	24,842,797.79	631,137,560.24
43	April, 1894.....	22,692,364.26	632,072,836.42
44	May, 1894.....	23,066,994.32	629,779,140.92
45	June, 1894.....	26,485,925.72	25,557,021.23
46	July, 1894.....	34,809,339.75	636,648,582.53
47	August, 1894 ^f	40,417,605.81	31,656,636.85
Total.....		\$1,388,287,167.24	\$1,468,302,165.94
			1,388,287,167.24

Total deficit for 47 months.....\$80,014,998.70

a McKinley Act took effect October 6, 1890.

b Deficit.

c Cleveland nominated June 21, 1892.

d Cleveland elected.

e Cleveland inaugurated.

f Wilson tariff took effect August 28, 1894.

This table is based upon the "Comparative Statement of Expenditures and Receipts of the United States," which (see appendices, p. 252) issued monthly by the Treasury Department, and is printed in the Record of June 20, 1906, pp. 9047 to 9051, in so far as it covers the operations of the Treasury under the McKinley Tariff, *from and including October, 1890, down to and including February, 1893*—four days before the second inauguration of Mr. Cleveland.

In the face of these official figures, the Republicans charge

That the *first* deficit under the McKinley Tariff was November, 1892 (WHEN IN FACT IT FIRST OCCURRED NOVEMBER, 1890, as shown above); that this deficit and all others under the McKinley Tariff were caused by the election of Mr. Cleveland and a Democratic Congress in November, 1892; and that their election caused the panic of 1893, when, in truth, the Treasury was VIRTUALLY BANKRUPT LONG BEFORE THE NOMINATION, ELECTION OR INAUGURATION March, 1893, of Mr. Cleveland.

SECRETARY FOSTER BEFORE HOUSE COMMITTEE, FEBRUARY 25, 1893.

Mr. Foster testified before the Ways and Means Committee on the condition of the Treasury. His testimony is fully reported in House Report No. 2621, Fifty-second Congress, 2nd Session. He

then acknowledged that he had changed his predecessor's system of bookkeeping by including as "available" cash subsidiary coin (then about \$9,000,000), and Federal Deposits in National Banks (then about \$10,000,000), which two items "my predecessors," said he, has treated as "unavailable" cash. Continuing, he said:

"If I eliminated those items *now* (February 25th, 1893), there would be a showing of deficit."

He further said that unlike his "predecessors" he had "little money and wanted to show that it was as large as possible," hence "I adopted" this new system. He further confessed that he had "held up" the payment of "requisitions" on the Treasury for "a day or two until we got in better shape," * * * "when someone would say that the Treasury was bankrupt and all that sort of thing."

"I merely make this explanation so you may know what the situation *has been*." * * *

"I should say that the next fiscal year would show a deficit."

"I think an annual increase of \$50,000,000 would make the Treasury easy, and if I was going to manage it I would want to have it that way."

He urged raising the Gold Reserve from \$100,000,000 to \$125,000,000 because "by the act of July 14, 1890 (Sherman Silver Law), you have created an additional liability upon the gold in the Treasury of \$130,000,000."

"Now, I want to state to you these estimates are based upon conditions existing *prior* to the *late* election."

Mr. Foster had made these same recommendations in his annual report three months before—December 5, 1892—and then *also* said:

"The estimated receipts are based upon conditions prevailing *prior* to the *late* election."

"The late election" to which he alludes was the election of Mr. Cleveland and a Democratic Congress, November, 1892.

Here we have Mr. Foster confessing that a deficit would appear—"now"—February 25, 1893—if he did not count as "available" cash the hitherto "unavailable" cash, that is, SUBSIDIARY COIN (limited tender) AND FEDERAL DEPOSITS IN NATIONAL BANKS, the two items amounting then, as he said, to about \$19,000,000. Furthermore, he confessed that "the *next* fiscal year would *show a deficit*."

Moreover, the Committee reported that there would be a deficit:

"* * * at the end of the ensuing fiscal year * * * to from \$30,000,000 to \$40,000,000. In these calculations NO ACCOUNT WHATEVER has been taken of the requirements of the Sinking Fund."

"Secretary Foster stated in his opinion that the annual receipts of the government should AT ONCE be increased and that his opinion there would be a deficit at the end of the fiscal year 1894; that the annual revenue should be increased \$50,000,000 * * * to meet

the conditions to which reference has been made in his report, and also for the purpose of increasing the Gold Reserve to the extent of \$25,000,000." (H. R. Report, 52d Congress, Second Session, 2651.)

We quote the following testimony of Secretary Foster before the House Committee February 25, 1893.

Secretary Foster—"Now, I want to say to you these estimates are based upon conditions existing *prior* to the *late* election."

Mr. Turner—"Taking into consideration all these conditions which you anticipate, what, in your judgment, would be a fair conjecture of the condition of the Treasury at the end of the next fiscal year?"

Secretary Foster—"I SHOULD SAY THE NEXT FISCAL YEAR WOULD SHOW A DEFICIT."

Mr. Turner—"Can you give an approximate estimate, according to all the data accessible to you?"

Secretary Foster—"I will only say this, that if I was to have the management of the Treasury, I should insist upon an INCREASE of REVENUE to the extent of \$50,000,000."

Mr. Turner—"In order to meet those conditions which you anticipate?"

Secretary Foster—"Not only THOSE conditions, but the GOLD conditions as well."

Mr. Wilson—"Did I understand you to express a general opinion a while ago that, in addition to the *present* sources of revenue, that the revenues of the Treasury Department ought to be *advanced* \$50,000,000 more a year?"

Secretary Foster—"Yes, sir."

Mr. McMillin—"Would you make that for one year or a *permanent* increase of revenue?"

Secretary Foster—"As things are going now, a permanent revenue, for two reasons. I would increase the gold reserve at least \$25,000,000 if I had the money to do it with."

Mr. Turner—"But your answer just now seemed to contemplate an annual increase."

Secretary Foster—"I think an annual increase of \$50,000,000 would make the Treasury easy, and if I were going to manage it I would want to have it." (H. R. Report, 2651, 52d Congress, 2d filed March 3, 1893.)

REQUISITIONS HELD UP BY FOSTER.

Mr. Foster—"Possibly, sometimes, when five or six or seven millions of requisitions would come in in a day, for which he would have to pay gold if all were paid in a day, I probably have suggested to Mr. MacLennan that he had better wait a day or two until we got in a better shape, because I did not want to pay out gold for current liabilities."

"PADDLED ALONG," PAYING UNCLE SAM'S DEBTS.

Mr. Foster—"I merely make this explanation so you may know what the situation *has been*. This has not been for the want of money. Once in a while, when large requisitions come in and pile up together, I do not want to pay them, because I would have to pay them in gold, and so we would paddle along for a day or two, when some one would say the Treasury was bankrupt and all that sort of thing."

Mr. McMillin—"Certain funds which were heretofore held by the Treasury, and not treated as available balances in the Treasury, have been treated in more recent reports as available balances in the Treasury, and I want to find out what the aggregate of that is."

Mr. Miller—"The \$54,000,000 for redemption of national bank notes is the only fund that has gone into the cash."

Mr. Turner—"Do you, in making that request want it to show how the fund for redeeming national bank notes was carried in the former statement?"

Mr. McMillin—"Yes, sir."

Mr. Miller—"That was a separate account. * * * That was not in the cash."

**NEW SYSTEM OF COUNTING THE CASH "I ADOPTED,"
SAID MR. FOSTER.**

Mr. Wilson—"Then in regard to the subsidiary coin, there has been some change made."

Secretary Foster—"We count that as money. It has gotten down to \$9,000,000, or will when the appropriation for the Columbian Exposition is made."

Mr. McMillin—"I would like to have that included also."

Secretary Foster—"We will show you how it is carried on *previous* statements, and how it is on the *one I adopted*."

Mr. Wilson—"What items in the Treasury are now covered in as available cash which were hitherto set apart as not under that heading?"

Secretary Foster—"All right. Under Mr. Manning the bank deposits were not considered as money in the Treasury. Subsidiary coin was not, but if I eliminated those items now there would be a showing of deficit."

Mr. Payne—"I understand you are keeping books according to law, and that this statement they use to make was not according to law."

Secretary Foster—"I do not want to say that; I do not want to say that in regard to my predecessors."

Mr. Wilson—"As I understand, Mr. Payne, according to law means when I get pretty hard pressed I can take trust funds and pass them to my account, and take some of my obligations I have got on hand for sale and count them as sold."

Secretary Foster—"It is not that; but the changes in the keeping of the statement are simply this: There are two items, one of money in banks and the other subsidiary coin, which were eliminated from the cash, and were not called cash. Now, I got to a point where if I did not include them in my cash my statement would show a deficit. I thought they were cash. I can take every dollar out of these banks in a minute, and I believe I have reduced the deposit to about \$10,000,000."

THE REAL SIGNIFICANCE OF FOSTER'S PLAN.

SHERMAN SILVER LAW CONDEMNED BY MR. FOSTER.

The real significance of these statements is what the Secretary at the time being wants to show. *My predecessors had a great deal of money, and they wanted to show it was as small as possible. I had little money and wanted to show it was as large as possible, and I did just exactly what Brother Springer would have done if you had been in my place. There was no juggling of figures at all.*

Mr. Payne—"You went to a point where if you continued the old statement it would have showed a deficit, but you still had plenty of money in the Treasury for all needs?"

Secretary Foster—"Certainly."

Mr. Payne—"The Treasury was easy at that time?"

Secretary Foster—"Yes. The difficulty with the Treasury has not been any lack of money. It ought to have more money, but by the act of July 14, 1890 (Sherman silver act), you have created an additional liability upon the gold in the Treasury of \$130,000,000. That \$100,000,000 was set apart as a redemption fund for \$346,000,000, and it is now nearly \$500,000,000."

Mr. McMillin—"Four hundred and seventy-six million dollars, I believe."

McKINLEY TARIFF AND SHERMAN LAWS FAILED TO MEET THE "NATURAL" DEMANDS OF THE PEOPLE.

"SHRINKAGE OF THE BALANCE OF TRADE."

Secretary Foster—"Now, there is a demand for this gold from abroad, and the truth is we owe the money and it is *natural*. *My best information is that our securities are not coming back here; we are shipping securities abroad, but when you take into account the shrinkage of the balance of trade as shown upon the customhouse books compared with former years, and then deduct from that the balance of what our people spend abroad, say \$120,000,000; \$30,000,000 balance freight; \$25,000,000, undervaluations (and I think it is probable we are cheated that much); \$12,000,000 servant-girl funds sent abroad (the balance on postal money orders is \$12,000,000 against us); the Chinese send what money they have back to China; most of the money of the Italians goes back; 75,000 American citizens go abroad every year in the steerage who spend more or less money; all of these elements must be considered in determining the balance of trade. When you take all these elements into account you will find we owe money abroad."*

"Seeing these things, the Secretary felt that we should keep all the money we could in gold. About \$25,000,000 was the limit he could pay for. He had no trouble to get gold if he had the money to get it with."

HELD UP PAYMENT OF REQUISITIONS ON TREASURY.

"Possibly, sometimes, when five or six or seven millions of requisitions would come in in a day, for which he would have to pay gold if all were paid in a day, I probably have suggested to Mr. MacLennan that he had better wait a day or two until we got in a better shape, because I did not want to pay out gold for current liabilities.

"I knew just as well as I was living that this thing was going to come, and I wanted to be as strong as I possibly could."

"I MADE AS GOOD A STATEMENT IN MY REPORT AS I COULD."

"So you see in my report *I made as good a statement as I could of our condition, and asked you to give the Treasury more money, so this gold reserve might be increased.* Now, since \$21,000,000 of this gold

has gone and I have but \$4,000,000 left, I can pay any requisitions which come in promptly, because I have currency in the place of gold."

WHAT THE SITUATION HAS BEEN, "PADDLED ALONG."

"I merely make this explanation so you may know what the *situation has been*. This has not been for the want of money. Once in a while, when large requisitions come in and pile up together, I do not want to pay them, because I would have to pay them in gold, and so we would paddle along for a day or two, when some one would say the Treasury was bankrupt and all that sort of thing. Now, I commenced with \$25,000,000 in gold in the Treasury when gold exports commenced in December; \$35,000,000 have gone out of the country and we have \$4,000,000 left.

Now, more gold is going, I have no doubt. If the Secretary could have had \$50,000,000 more money on the 1st of December he could have increased the gold to \$150,000,000 and kept his reserve at about \$125,000,000, but not having the money, he could not do it."

The Minority Report, signed by the great leaders of the House, Mr. Payne (New York), Mr. Dalzell, Mr. Thomas D. Reed, Mr. Hopkins, Mr. Burrows, in part, said:

REPUBLICAN MINORITY CONFESS.

"On the basis of the statement of the Secretary of the Treasury, it would seem that the amount of the surplus or deficiency would be very small."

"Small"—but it would be—and *was* over \$69,803,260.

The Report of the Majority, upon the testimony of Mr. Foster and several others, was, in part, as follows:

MAJORITY REPORT.

DEFICIT OF \$30,000,000 TO \$40,000,000.

Under the most careful estimates that can now be made it is apparent that at the end of the ensuing fiscal year there will be a deficit amounting to from \$30,000,000 to \$40,000,000. In these calculations no account whatever has been taken of the *requirements of the sinking fund*.

In the statement above referred to—No. 6—it will be seen that the requirements of the sinking fund were not met during the past fiscal year and no effort has been made to meet such requirements during the current fiscal year, nor can any of its requirements be observed during the ensuing fiscal year unless there is a large increase in the revenues of the Government.

According to Secretary Foster's statement, above referred to, the balance due the sinking fund June 30, 1892, was \$11,307,825.36 and the requirements of the sinking fund for the fiscal year 1893 were estimated at \$48,693,000, showing that at the end of the fiscal year 1893 there will be due the sinking fund \$60,000,000. The statement further shows that at the end of the next fiscal year there will be due the sinking fund a little over \$100,000,000.

It appears from these statements that the Secretary of the Treasury has charged against the sinking fund the amount of \$16,000,000 paid for the redemption of national-bank notes which have gone into liquidation.

Your committee do not concede that the redemption of national-bank notes is a payment of a national debt as contemplated by the sinking-fund law, and that such payments for the redemption of national-bank notes under the act of July 14, 1890, should be made out of the current receipts in the Treasury. If this amount is added to the requirements of the sinking fund, it will show \$116,000,000 due that fund on the 30th of June, 1894.

DEFICIT CONFESSED BY FOSTER.

Secretary Foster stated that in his opinion the annual receipts of the Government should be at once increased. He also stated that in his opinion there would be a deficit at the end of the fiscal year 1894, and said that if he had the management of the Treasury in the future he should insist upon an increase of the annual revenue to the extent of \$50,000,000. This increase, he stated, should be made to meet the conditions to which reference has been made in this report, and also for the purpose of increasing to the extent of \$25,000,000 the gold-reserve fund of \$100,000,000, which increase he earnestly recommended. (H. R. Report, 52d Cong., 2d Sess., 2651, March 3, 1893.)

Mr. Foster, in his report December 5, 1892, said:

RECEIPTS AND EXPENDITURES.

FISCAL YEAR, 1892.

"The revenues of the Government from all sources for the fiscal year ended June 30, 1892, were \$425,868,260.22; expenditures, \$415,953,806.56, leaving a surplus of \$9,914,453.66. To this sum was added \$16,232,721.00, deposited in the Treasury under the Act of July 14, 1890, for the redemption of national bank notes.

As compared with the fiscal year 1891, the receipts for 1892 have fallen off \$32,675,972.81. There was a decrease of \$10,349,354.16 in the ordinary expenditures."

FISCAL YEAR, 1893.

"For the present year the revenues are estimated as follows: Total estimated revenues, \$463,336,350.44. The expenditures for the same period are estimated as follows: Total estimated expenditures, \$461,336,350.44, leaving an estimated surplus for the year of \$2,000,000.00."

"The following is a statement of the PROBABLE condition of the Treasury at the CLOSE of the present fiscal year, JUNE 30, 1893:

Cash in the Treasury July 1, 1892, including gold reserve	\$126,692,377.03
Surplus for year, as above.....	2,000,000.00
Deposits during the year for redemption of national bank notes.....	2,500,000.00
Total amount available.....	\$131,192,377.03
Less—	
Redemption of national bank notes during the year.....	\$9,500,000.00
Redemption of bonds, interest notes and fractional currency during the year..	700,000.00
	<u>\$10,200,000.00</u>
CASH balance available, June 30, 1893.....	\$120,992,377.03

FISCAL YEAR, 1894.

"It is estimated that the revenue of the Government for the fiscal year 1894 will be on basis named below		\$490,121,365.38
Total estimated appropriations, EXCLUSIVE of SINKING FUND	457,261,335.33	
Or an estimated surplus of.....	32,860,030.05	
To which add cash balance above Gold Reserve, June 30, 1893.....	20,992,377.03	
Making an <i>estimated</i> balance of.....		53,852,407.08
From which deduct accrued and accruing obligations, estimated as follows.....	6,000,000.00	
Leaving	47,852,407.08	

AGAINST WHICH THERE WILL REMAIN ON JUNE 30, 1893, UNEXPENDED BALANCE OF CONTINUING APPROPRIATIONS FOR HEAVY ORDNANCE, RIVERS AND HARBORS, INCREASE TO THE NAVY AND PUBLIC BUILDINGS, AMOUNTING TO \$44,000,000.

"NO ACCOUNT IS MADE IN THE FOREGOING OF THE REQUIREMENTS OF THE SINKING FUND FOR 1894, AMOUNTING TO \$48,600,000, BEYOND THE REDEMPTION OF PAST DUE BONDS FRACTIONAL CURRENCY AND NATIONAL BANK NOTES ESTIMATED AT \$5,000,000."

ANTE ELECTION ESTIMATES—THESE WERE.

"The estimated receipts are based upon conditions prevailing *prior* to the *late* election." (Secy. Foster's Report, Dec. 5, 1892, p. 24.)

NEEDED "CASH" AND GOLD.

"One of the embarrassments to the Treasury, in the opinion of the Secretary, is the inability, *with the limited amount of cash on hand*, above the \$100,000,000 reserve *to keep up a sufficient gold supply*. When the demand comes for the exportation of gold the Treasury is called upon to furnish it.

If this demand should prove to be as large the coming year as it has been for the past two years, gold in the Treasury would be diminished to or below the reserve line."

"In view, therefore, of these increasing liabilities, the Reserve in the Treasury should be increased to the extent at least of 20 per cent. of the amount of the Treasury Notes issued and to be issued under the Act of July 14th, 1890—Sherman law."

He then recommended that:

MORE REVENUE AND GOLD NEEDED—SAYS SECRETARY FOSTER.

"I think the revenue should be so increased as to enable the Treasury Department to maintain a gold reserve of not less than \$125,000,000.00, and to maintain a comfortable working balance in the Treasury." (Treas. Report, Dec. 5, 1892, p. 29.)

It is very plain if Mr. Foster had literally said, in his report, December 5, 1892, above quoted, "that there would be a deficit during the next fiscal year," he would have *said* no more than what his report *actually* shows. When the House Committee, three months later, quizzed him on the subject, he confessed that there would be a deficit "the next fiscal year"—1894.

ANNUAL REPORT, 1890, BY WINDOM.

The report of the Secretary of the Treasury (Windom), December 1, 1890, says:

"The loss of precious metal by net export, during the year was: gold \$4,253,057; silver \$8,545,455."

The Sherman and McKinley laws took effect in the summer of 1890.

MOVEMENT OF GOLD UNDER THE McKINLEY AND SHERMAN LAWS, MR. FOSTER'S ADMINISTRATION.

In his first annual report, dated December 7, 1891, Mr. Foster said:

"The loss of gold by *net* (*italics his*) export during the fiscal year was \$67,946,768.

"The loss of gold by exports was materially larger during the last fiscal year than in any recent years. The heavy movement commenced in February, 1891, and did not cease until the close of July. The total amount exported from the port of New York during this period was \$70,223,494.31.

"It is gratifying to report that a return movement of gold is well under way, which has aggregated since the first of July, at the port of New York alone, \$27,854,000.

"In the report of the Director of the Mint will be found an article treating in detail of the movement of gold of the United States, and pointing out some of the causes which are BELIEVED *to have operated to produce the same.*"

On this subject, November 1, 1892, the mint director, Mr. Leech, in part, said:

REMARKABLE EXPORTS OF GOLD.

"*In the Summer of 1890, a movement of gold from this country occurred, which, while by no means as serious in amount as its predecessor, was somewhat remarkable as a monetary transaction, considering the low rate of sight sterling exchange which obtained during the period.*

"This movement aggregated in less than two months the sum of \$15,672,982."

SERIOUS TROUBLE.

"*In February of the present year (1891) another movement of gold to Europe commenced, which did not cease until the close of July . . . caused by far the most serious loss of gold which this country has sustained for many years. The total amount exported from the port of New York was \$70,223,494.31.*

The heavy losses incurred by European capitalists in South American countries, the resulting financial disturbances and uneasiness, etc., not only greatly restricted this credit, but led to a continuous pressure, more or less strong, for gold to strengthen the reserves of the banks in England, France and Germany.

Russia, at the same time, withdrew from the depositories of Western Europe large quantities of gold, thus adding greatly to the drain and increasing the pressure for the import of gold from the United States, this country being the only outside port from which gold in large amounts could be readily drawn.

It is a well known fact that the Bank of England paid a premium for American gold coin, and increased that premium from time to time as the financial crisis grew more threatening."

BALANCE OF TRADE AGAINST US.

"The balance of trade, for these reasons, being against us, and the pressing need for gold in London, Paris and Berlin, I count very largely for the heavy export of gold *during* these five months."

ANNUAL REPORT, DECEMBER, 1892.

In his report, issued February 5, 1892, Secretary Foster said:

"The net loss of gold by exports during the fiscal year was only \$142,654 against a *loss* in the preceding fiscal year of \$67,946,768."

MINT REPORT, 1892.

The mint director, Mr. Leech, in his report, November 1, 1892, after repeating the causes of our export loss of gold, recited in his report for 1891 as above given, gave two *additional* reasons for this gold movement to wit:

(1) "The Austrian Government has been making strenuous exertions during the last year to obtain sufficient gold for a strong basis in establishing a gold standard for its currency."

ONE GREAT CAUSE.

(2) "One great cause of continued large shipment of gold is, as stated by all exchanges and financial writers, the distrust of the United States securities raised in the minds of European investors by the large and *increasing* preponderance of silver over gold in the reserve held for the redemption of our paper currency."

Thus we see Mr. Foster, in effect, *condemns both* the Sherman and the McKinley tariff laws while Mr. Leech condemns the Sherman law as causing our troubles. Whether both or either law caused us to lose our gold, a deficit in the treasury, or the panic of 1893, or all three, the fact remains that they were both Republican laws operating under a Republican administration, and the Democrats had voted against their enactment and afterwards denounced as a "cowardly makeshift," partially repealed, the Sherman law November 1, 1893, and later repealed the McKinley tariff.

In 1890, under the high protective tariff of 1883 and its successor, the McKinley tariff, and an *overflowing* treasury, Secretary Windom, to avoid a panic as he said, expended in buying bonds all the *available* money in the treasury, except the national bank redemption fund of \$54,000,000. The silver coin and bank deposits he said were unavailable assets.

When the Sherman and McKinley laws began operations under a Republican administration, our gold reserve was intact, our treasury overflowing, but "panic and disaster" threatened, and was partially averted by Mr. Windom buying bonds and using the bank redemption fund as his only actual surplus, but in two years, under the same administration and laws, our net gold

exports are alarming, the treasury is empty, the gold reserve in danger, legal tenders are being exchanged in New York for gold to replenish the reserve, and the panic of 1890 is in full bloom in 1892 and 1893.

In March, 1889, the Cleveland administration turned over to the Harrison administration, exclusive of the \$100,000,000 gold reserve, over \$230,000,000, while the Harrison administration, four years thereafter, turned over to the Cleveland administration, exclusive of the gold reserve, less than \$63,000,000, the net balance in the treasury of about \$24,000,000 being made up of small coins, federal deposits in the banks, and the balance of the national bank redemption fund, which, during this administration had been turned into the treasury as so much cash, amounting by this time in gross to at least \$70,000,000.

The United States "Treasury Department," "July 1, 1904," issued a "Circular No. 72," which shows the money paid over by the two administrations as follows:

CASH TURNED OVER.

END OF FIRST CLEVELAND ADMINISTRATION.

CONDITION OF THE TREASURY MARCH 1, 1889, MARCH 1, 1893, MARCH 1, 1897.

"On the 1st day of March, 1889, the beginning of President Harrison's Administration, the available funds in the Treasury, exclusive of the \$100,000,000 gold reserve, were as follows:

Agency account.....	\$64,502,445.02
NET BALANCE IN TREASURY.....	165,846,471.10
Total	\$230,348,916.12

CASH TURNED OVER BY THE HARRISON ADMINISTRATION.

In addition to the ordinary revenues received during President Harrison's Administration, there was covered into the Treasury by direction of the act of Congress of *July 14, 1890*, \$54,207,975.75, which had been held in trust under the law as a fund for the redemption of national bank notes; and such notes are now redeemed, upon presentation, from the general cash in the Treasury.

On the 1st day of March, 1893, the available funds in the Treasury, exclusive of the \$100,000,000 gold reserve, were as follows:

Agency account.....	\$38,365,832.90
NET BALANCE IN TREASURY.....	24,084,742.28
Total	\$62,450,575.18"

SMALL SILVER COIN AND BANK DEPOSITS ON HAND MARCH 1, 1893.

The amount of national bank redemption funds on hand March 1, 1893, was \$22,272,061, of fractional silver \$10,971,875; the two items amounting to \$33,243,936. Deduct these sums from the balance stated March 1, 1893, \$24,084,742.28 and there was *then* a real deficiency of \$9,159,193.72. And if we deduct the \$10,000,000 bank deposits, the deficiency is increased that much more, or to \$19,159,193.72.

To be able to even turn over the \$100,000,000 gold reserve intact, Mr. Foster exchanged legal tenders from the treasury for gold and was in New York in the early part of 1893 for that purpose. In this way, he secured from \$6,000,000 to \$8,000,000 in gold and with this, and that gold which came into the Treasury in the usual way, he "paddled along" until the end of his term, and turned over to Mr. Carlisle on the day he took actual charge of the Treasury, March 7, 1893, only "\$983,410 in excess of the lawful reserve."

Mr. Carlisle, December 19, 1893, in his annual report, said:

"The amount of free gold in the Treasury on the 7th of March, 1893, was \$100,982,410, or \$983,410 in excess of the lawful reserve."

In a speech delivered in 1895 in Ohio, Mr. Foster said:

"On the fourth of March, 1893, we turned over to the new administration nearly \$125,000,000 in cash, more than \$100,000,000 was in gold."

On December 26, 1895, General Grosvenor inserted in the Record, as part of his speech, this statement of Mr. Foster. (Record, December 26, 1895, p. 320).

In this same speech, Mr. Foster also made this unexplained statement, to wit:

"The plates for these bonds had been prepared while Mr. Sherman was Secretary, and quite a supply was already printed and ready for execution." (*Record*, December 26, 1895, p. 320.)

Mr. Sherman was Secretary of the Treasury from March, 1877, to March, 1881. In 1893 he was, and had been for some time, a member of the Senate, with no power, as a senator, to order such plates made. The question is, when did Mr. Sherman as "secretary" order these or other bond plates to be made? Did Mr. Sherman, while secretary, fix to issue bonds? Is it possible that "threatened panic and disaster" should occur under a protective tariff and a Republican administration? Indisputably and now confessedly, Mr. Foster issued a bond plate order on February 20, 1893, as hereafter shown.

Mr. Foster said to the committee in February, 1893, that he had no trouble in getting gold *if he had the money with which to get it*, hence he, in his report, December, 1892, called on Congress in February for \$50,000,000 more revenue and \$25,000,000 more as a permanent addition to the gold reserve, and said he would have it that way if he had to manage the Treasury.

But with the condition of the Treasury, as it *was and had been for many months*, Mr. Foster could not exchange money from the Treasury many times to get gold. Some other means must be employed for him to tide over and unload an empty Treasury on Mr. Carlisle, his successor. So on February 20, 1893, he gave a "hurry up" order for the preparation of bond plates, to issue bonds wherewith to buy gold and fill up a bankrupt Treasury.

M R. FOSTER OMITTED TO TELL.

Although Mr. Foster's testimony before the House Committee, February 25, 1893, covers nearly nineteen pages, yet it fails to show that four days before—February 20—Mr. Foster had issued this bond plate order, which reads as follows:

COPY OF FOSTER BOND PLATE ORDER.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,

WASHINGTON, D. C., March 25, 1897.

SIR—I have the honor to acknowledge the receipt of your letter of this date, requesting the original letter, or a certified copy thereof, written by Mr. Secretary Foster February 20, 1893, addressed to the Chief of the Bureau of Engraving and Printing, authorizing the preparation of certain plates. In compliance with said request I submit below a correct copy of the letter in question, also a copy of the text of the proposed bond.

[Copy of letter.]

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,

WASHINGTON, D. C., February 20, 1893.

SIR—You are hereby authorized and directed to prepare designs for the 3 per cent. bonds provided in a Senate amendment to the sundry civil bill now pending. The denominations which should first receive attention are 100s and 1,000s of the coupon bonds, and 100s, 1,000s and 10,000s of the registered bonds. This authority is given in advance of the enactment, in view of pressing contingencies, and you are directed to hasten the preparation of the designs and plates in every possible manner. I inclose a memorandum for your guidance in preparing the script, for the body of the bond.

Respectfully, yours,

(Signed) CHARLES FOSTER, *Secretary*.

THE CHIEF OF THE BUREAU OF ENGRAVING AND PRINTING.

TEXT OF THE BOND.

WASHINGTON, April 1, 1893.

This bond is issued in accordance with the provisions of section — of an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1894, and for other purposes," approved March 3, 1893, and is redeemable at the pleasure of the United States after the 1st day of April, A. D., 1898, in coin of the standard value of the United States on said March 3, 1893, with interest in such coin from the day of the date hereof at the rate of 3 per cent. per annum, payable semi-annually on the 1st days of October and April in each year. The principal and interest are exempt from the payment of all taxes or duties of the United States, as well as from taxation in any form, by or under State, municipal, or local authority.

Respectfully, yours,

L. J. GAGE, *Secretary*.

Hon. JOHN W. GAINES,

House of Representatives.

The original order was on file December 25, 1897 in the Bureau of Engraving and Printing, Washington, D. C.

Senator Sherman introduced an amendment to an appropriation bill—Sundry Civil—in the Senate, to enact a law permitting the issuance of these bonds. The order, dated February 20, 1893, itself, in part reads:

“This bond is issued in accordance with the provisions of Sec. — of an act, entitled ‘An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1894, and for other purposes, *approved March 3, 1893.*’”

This shows this order, dated February 20, was given to issue bonds under a law yet unapproved to be “*approved March 3, 1893.*” The Senate passed the Sherman amendment but the House defeated it. The Democrats inheriting an empty treasury, Mr. Carlisle issued bonds under the old law.

Recent letters on this subject from Mr. Carlisle and others read thus:

HOUSE OF REPRESENTATIVES,
WASHINGTON, May 29, 1906.

Hon. JOHN G. CARLISLE,
30 Broad Street, New York, N. Y.

MY DEAR SIR—The inclosed extract from the Congressional Record contains a statement made by Gen. Charles H. Grosvenor, of Ohio, on the 26th inst.

If you feel inclined, I would be glad to know whether or not the references therein made to you are correct. You will recall that the order to the Director of the Bureau of Engraving and Printing was issued by Secretary Foster in February, 1893. Mr. Grosvenor undertakes to create the impression from this letter that this order to prepare the plates for the printing of the bonds was made not for the purpose of meeting a deficit in the public revenues which existed, or would exist at the end of the Harrison administration, but was made at your suggestion.

I write this letter after conferring with Mr. Williams, of Mississippi, as we do not want the statement of Mr. Grosvenor to go uncontradicted if it is not correct.

I would be glad to have authority to use any reply you may make to this letter,

Very truly, yours,

C. L. BARTLETT.

—
CURTIS, MALLET-PREVOST & COLT,
ATTORNEYS AND COUNSELORS AT LAW,
30 Broad Street, New York, June 5, 1906.

Hon. CHARLES BARTLETT,
House of Representatives, Washington, D. C.

DEAR SIR: On my return to the city I find your favor of May 29, with its inclosure. Two or three years ago I received a letter from the Hon. Judson Harmon upon the same subject, which I answered, stating, in substance, that I had no connection whatever with the arrangement said to have been made between my predecessor, Hon. Charles Foster, and certain New York banks, by which they were to advance to the Treasury Department the sum of \$50,000, or any other amount, in gold or otherwise. I never heard of that arrangement until some months after I had become Secretary of the Treasury, and then my information was derived from the Bureau of Engraving and Printing, to which an order had been sent by my predecessor for the printing of the contemplated bonds. I never had any conversation with Mr. Gorman or my predecessor upon that subject, but, according to my best recollection, I had interviews with both of them in relation to the amendment which Mr. Sherman had offered and which is referred to in the letter you inclose to me. I approved of that amendment. In view of the condition of the Treasury Department at that time, it was my opinion that the Secretary of the Treasury should be

clothed with the power which the Sherman amendment conferred upon him in order that, if it should become necessary to do so, he might procure gold by issuing and selling a 3 per cent. bond instead of bonds bearing 4 per cent. and 5 per cent., which were the only ones then authorized by law. In addition to the withdrawals of gold from the Treasury, which were then going on at a rapid rate, the monthly receipts had been for several months previous to that time, and were then, less than the monthly expenditures of the Government, as will be seen by an examination of the official records of the Department.

Yours, truly,

J. G. CARLISLE.

REPUBLICAN FABRICATION OVERTAKEN.

The McKinley tariff act was in full operation throughout 1893 and eight months of 1894, that is, to August 28, 1894, when the Wilson tariff act repealed it. Therefore the first eighteen months of the second Cleveland administration was under the McKinley tariff act. Notwithstanding these well known official facts, the cringing, "stand pat" Republicans contended and charged that the "commercial failures" of 1893 and 1894 occurred under the "Democratic low tariff period," as shown by the Republican Campaign Book of 1904, which contains, p. 113, a table printed thus:

COMMERCIAL FAILURES AND AVERAGE OF LIABILITIES, 1880 TO 1903.
[From Dun's Review, New York.]

Total for the year.					
Calendar year.	Number of failures.	Number of business concerns.	Per ct. of failures.	Amount of liabilities.	Average liabilities.
1880	4,735	746,823	0.63	\$65,752,000	\$13,886
1881	5,582	781,689	.71	81,155,932	14,530
1882	6,738	822,256	.82	101,547,564	15,070
1883	9,184	863,993	1.06	172,874,172	18,823
1884	10,968	904,759	1.21	226,343,427	20,632
1885	10,637	919,990	1.16	124,220,321	11,678
1886	9,834	969,841	1.01	114,644,119	11,651
1887	9,634	994,281	.90	167,560,944	17,392
1888	10,676	1,046,662	1.02	123,829,973	11,595
1889	10,882	1,051,140	1.04	148,784,337	13,672
1890	10,907	1,110,590	.98	189,856,964	17,406
1891	12,273	1,142,951	1.07	189,868,638	15,471
1892	10,344	1,172,705	.88	114,044,167	11,025
1893*	15,242	1,193,113	1.28	346,779,889	22,751
1894*	13,885	1,114,174	1.25	172,992,856	12,458
1895*	13,197	1,209,282	1.09	173,196,060	13,124
1896*	15,088	1,151,579	1.31	226,096,834	14,992
1897	13,351	1,058,521	1.26	154,332,071	11,559
1898	12,186	1,105,830	1.10	130,662,899	10,722
1899	9,337	1,147,595	.81	90,879,889	9,733
1900	10,774	1,174,300	.92	138,495,673	12,854
1901	11,002	1,219,242	.90	113,092,376	10,279
1902	11,615	1,253,172	.93	117,476,769	10,114
1903	12,069	1,281,481	1.12	155,444,185	12,879

*Democratic and low-tariff period.

—Republican Campaign Book, 1904, p. 114.

Taking the only complete years during which the McKinley and Wilson tariff acts were in operation, and striking an average "amount of liabilities" for the two periods, and this result is shown:

1891-2-3—McKinley tariff.....\$216,897,564
1895-6 —Wilson Tariff..... 199,646,447

Take the same years and "number of business concerns" failed average this:

Average for period.

1891-2-3—McKinley tariff.....1,169,589
1895-6 —Wilson tariff.....1,180,430

The number of "failures" were:

1891-2-3—McKinley tariff.....	12,619
1895-6 —Wilson tariff.....	14,142

This same Republican table shows that for the six full years—1898 to 1903—during which the Dingley tariff was in operation the total failures were 7,181,620, or an average for the period of 1,196,696. Let the blind read:

DINGLEY TARIFF.

AVERAGE LIABILITIES.

1898.....	1,105,830	1901.....	1,219,242
1899.....	1,147,595	1902.....	1,253,172
1900.....	1,174,300	1903.....	1,281,481
Total.....			7,181,620
Average per year.....			1,196,936

The average "liabilities" for the period—six years—was \$124,241,965.

MR. FOSTER IN NEW YORK EXCHANGING LEGAL TENDERS FOR GOLD.

The Republicans deny that Mr. Foster exchanged legal tenders for gold, but here is the incontrovertible proof:

Mr. Alexander Dana Noyes, in his book, "Thirty Years in American Finance," in part, says:

NEW YORK BANKS TURNED OVER \$6,000,000 TO \$8,000,000 TO MR. FOSTER.

"In February Mr. Foster came in person to New York to urge the banks to give up gold voluntarily in exchange for the Treasury's legal tender surplus. (*New York Financial Chronicle*, Feb. 11-18, 1896.) From a strict commercial point of view, there was good reason why the bank should not make any such exchange. But the plea that a panic must at all hazards be averted, combined with the argument of patriotic support of the Government at length prevailed.

"The New York banks turned over to the Treasury, in exchange for notes, \$6,000,000 to \$8,000,000. (*New York Tribune*, Feb. 9, 10, 11, 1893; *New York Financial Chronicle*, Feb. 11, 1893.)

"This, with some small amounts still paid through the customs revenue, was enough to keep the Treasury afloat until March 4, when the entire problem could be turned over to the new Executive. To his successor in the Treasury Mr. Foster left exactly \$100,982,410 in the gold reserve (*Treas. Rep.*, 1893, p. 72). and barely \$25,000,000 in other forms of money. (Same report, p. 96.)

"Probably no financial administration has entered office under such disheartening conditions."

Mr. Horace White, of New York, in his book, "Money and Banking," states that Mr. Foster came to New York city and exchanged legal tender notes for gold to tide over until he could be succeeded by Mr. Carlisle. Mr. White says:

GOLD EXPORTS AGAIN "RESUMED."

"Gold exports were resumed in 1892. In November of that year the gold in the Treasury had fallen from \$185,000,000 (in August, 1890) to \$124,000,000, and was still declining. Secretary Foster was much depressed. When he came to New York to speak at a dinner at the Chamber of Commerce, he said, among other things, that the Government intended to maintain gold payments, even if it became necessary

to sell Government bonds for the purpose. This was an admission on his part that gold payments could not be continued without resorting to extraordinary means. Probably Mr. Foster made this speech in order to test public sentiment and to find out whether he would be sustained in issuing Government bonds in time of peace. There had been no increase of the bonded debt since the close of the Civil War, and some persons in high places denied that there was any legal authority to issue new bonds. Apparently Mr. Foster was satisfied by the applause with which his announced purpose was received by his hearers and by the press, for shortly afterwards he issued an order to the Bureau of Engraving and Printing to prepare new bonds. This order was dated February 20, 1893, and Mr. Foster was to go out of office on the 4th of March. Naturally, he preferred to put upon his successor the onus of issuing the bond if he could.

GOT THE GOLD.

So he came to New York and persuaded the banks to give him a few millions of gold in exchange for legal tender notes, enough to carry him along until the 4th of March. This enabled him to glide out of office, leaving the \$100,000,000 redemption fund intact, but with only \$982,410 gold in excess of that sum and with the penumbra of a deficit in full view."

On November 4, 1894, Secretary of the Treasury, Mr. Carlisle, in a letter to the Hon. W. R. Morrison, showed the operations of the McKinley tariff, the amount of money paid over by the Cleveland administration in 1889 to the Harrison administration, the amount of funds turned over by the Harrison administration four years later 1893 to the Cleveland administration and stating that over \$54,000,000 of national bank trust funds were covered into the treasury under Mr. Foster's administration and that Mr. Foster "had held" up the payments of Uncle Sam's debts "to a very considerable extent to avoid a reduction of the balance on hand."—Mr. Carlisle said:

DEFICITS UNDER THE McKINLEY TARIFF.

* * * * *

"The records of the Department show that during the fiscal year 1888 the receipts were \$111,341,273 in excess of the expenditures; during 1889, \$87,761,080; during 1890, \$85,040,271; during 1891, the year after the passage of the McKinley bill, \$26,838,541; in 1892, \$9,914,453; in 1893, \$2,341,674; and in the year 1894, during the *whole of which the McKinley bill was in full force*, the expenditures exceeded the receipts to the amount of \$69,803,260, notwithstanding the expenditures were \$16,752,676 less than in the preceding year. You will thus observe that the receipts in excess of expenditures diminished annually under the operation of the McKinley tariff act, until finally a large deficiency was the result.

REDEMPTIONS.

"The statement of Mr. McKinley that I had used the gold reserve to meet the daily expenses of the Government is incorrect.

I enclose herewith a printed document containing the statements made by me before the Committee on the Judiciary of the House of Representatives in January last, from which it will be seen (see page 13) that United States notes and Treasury notes of 1890 had been redeemed in gold to the amount of \$58,641,866 in excess of the reserve fund raised by the sale of bonds. These redemptions were made with gold received from all the various sources of revenue. The total amount of United States notes and Treasury notes of 1890 redeemed in gold up to the present date is \$249,808,494, while the whole reserve fund provided for by law was \$100,000,000 in the first instance, and the proceeds of the bonds sold in February last, amount-

ing to \$58,560,000. Instead, therefore, of using the lawful reserve to defray ordinary expenditures, we have in fact largely used the ordinary receipts for the purpose of redemption, the purpose for which the reserve itself was intended."

CASH PAID OVER TO HARRISON BY CLEVELAND ADMINISTRATION.

"On the 1st day of March, 1889, the beginning of President Harrison's Administration, the funds in the Treasury actually available, exclusive of the \$100,000,000 reserve, were as follows:

Agency account.....	\$64,502,445.02
Net balance in the Treasury.....	165,846,471.10
Total	\$230,348,916.12

CASH TURNED OVER TO CLEVELAND BY HARRISON ADMINISTRATION.

Cleveland

On the 1st day of March, 1893, the beginning of the *present* (Harrison) Administration, the funds in the Treasury actually available, of the \$100,000,000 reserve, were as follows:

Agency account.....	\$38,365,832.90
Net balance in the Treasury.....	24,084,742.28
Total	\$62,450,575.18

This statement is made in accordance with the form now in use, and exhibits the actual condition of the Treasury at the dates mentioned, including all available assets of every kind."

BANK FUNDS TURNED INTO "CASH."

"In addition to the ordinary receipts of the Government, there was, as you know, covered into the Treasury during the Administration of President Harrison, \$54,207,975.75, which was held in trust as a fund for the redemption of national bank notes. This proceeding was authorized by the act of July 14, 1890, commonly known as the "Sherman Act."

The item denominated "agency account" is that portion of the miscellaneous cash in the Treasury held for certain liabilities appearing on the books of the Treasury, but not represented by demand certificates or Treasury notes of 1890 outstanding.

From the 1st day of March, 1885, the beginning of Mr. Cleveland's first Administration, to March 1, 1889, the public debt was reduced \$341,448,449.20, and from March 1, 1889, to March 1, 1893, the reduction was \$236,527,666.10."

MR. FOSTER HELD UP PAYMENT OF UNCLE SAM'S DEBTS.

"It is true, as you suggest, that for some time previous to the close of the last Administration, warrants upon requisition were held up to a very considerable extent in order to avoid a reduction of the balance on hand, but the amount of these requisitions can not now be ascertained without devoting a great deal of time and investigation on the subject. I think, however, they amount to several million dollars."

QUARTERLY DEFICITS IN 1891 AND 1892 UNDER THE McKINLEY TARIFF.

Mr. Noyes, in his "Thirty Years of American Finance," p. 138, says:

"There was a Treasury deficit in the fourth quarter of the fiscal year 1891, the first quarterly deficit in many years (Treas. Report,

1891, p. 33) ; it was repeated in two of the quarterly periods of 1892; but in each case a fortunate, though temporary, expansion of the revenues of other months helped the Treasury through the year. At last came a season, when the trade from which the revenue was drawn contracted, with financial and political results as extraordinary as anything in our history." (Treas. R., 1892, p. 30.)

OFFICIAL PROOF OF QUARTERLY DEFICITS.

The receipts, as stated by the Treasury report, 1891, for the fourth quarter were \$84,528,082.41; expenditures, \$85,436,167.29. The total receipts for the year, \$393,612,447.31; expenditures, \$365,773,905.35.

The Treasury report for 1892 shows the receipts for the second quarter (1892) were \$83,945,762.40; expenditures, \$87,196,906.20, while for the fourth quarter the receipts were \$87,140,560.46; expenditures, \$89,622,219.85, the total receipts for the year being \$354,937,784.24; expenditures, \$345,023,330.58.

The annual surplus in either of these years is more than offset by the National Bank Fund due the banks at this time without charging off the hitherto "unavailable money" in the Treasury, the bank deposits and the limited tender silver coin.

FINANCIAL STRINGENCY AND "THREATENED PANIC AND DISASTER" AS EARLY AS 1890, HARRISON ADMINISTRATION, UNDER TARIFF 1883 AND McKINLEY TARIFF.

To avert a panic in 1890, Mr. Secretary Windom was compelled to purchase Government bonds to the amount of over \$74,000,000 at a premium amounting to more than \$22,000,000, and he says that the bank deposits and the fractional silver were practically of no use as an *actual* available surplus to meet public obligations, and in his report of December 1, 1890, said he could not use these two items as an "actual available surplus," but we see two years later, 1892, Secretary Foster *did* count and use them as part of the "available surplus" to avoid showing a deficit.

Mr. Windom also states that the national bank redemption fund was the only "actual available surplus" in September, 1890, in the Treasury, and with it "panic and disaster" were "averted."

TREASURY REPORT, DECEMBER 1, 1890.

Secretary Windom, in his report (December 1, 1890) said:

"The total apparent surplus on September 10, when the *money* stringency culminated was \$99,509,220.53. Of this amount \$24,216,810.96 was on deposit in the bank, and presumably *in circulation among the people*, and \$21,709,379.70 was fractional silver, which had been in the Treasury vaults for several years, and was *not* available for any *considerable* disbursements.

"Deducting the sum of *these* two items (\$45,926,184.73) left an *actual* available surplus of only \$53,583,035.80.

"The amount of the bank redemption fund, then in the Treasury, which had been transferred to the available funds by the Act of July 14, 1890, was \$54,000,000, *being substantially the amount of the available surplus on September 10, 1890.* . . .

"This bank note fund had been in the Treasury in varying amounts for many years. In August, 1887, it was \$105,873,095.60, which had been gradually reduced by disbursements to the amount above named."

"PANIC AND DISASTER AVERTED" AS EARLY AS SEPTEMBER, 1890, BY USING NATIONAL BANK FUND.

"At the time when the financial pressure in September reached its climax, the extraordinary disbursements for bond purchases had substantially exhausted the entire ordinary Treasury accumulation, and but for the fact that Congress had *wisely* had transferred the bank note redemption fund to the available cash, *there would have been no money at command in the Treasury, by which the strained financial conditions could have been relieved and threatened panic and disaster averted.*"

Had this fund been in the banks instead of the Treasury, the business of the country would have been adjusted to the increased supply, and when the strain came it would have been impossible for the banks to meet it. The Government could not have withdrawn it from the banks without compelling a contraction of their loan, and thus diminishing their ability to give relief to their customers."

Mr. Windom says that the bank deposits could not, with safety to the banks or in justice to "their customers," be withdrawn, but Mr. Foster *did* withdraw them down to about \$10,000,000 in 1893. He had to do so for want of money to count and use them with the small silver coin as "available cash" *to avoid showing a deficit.*

DEMOCRATS INHERITED DISCOURAGING CONDITIONS FROM THE HARRISON ADMINISTRATION.

The Democratic administration operated under the McKinley tariff eighteen months—March, 1893, to August 28, 1894—when the Wilson tariff act took effect. The McKinley tariff proved to be a failure as a revenue producer, but a successful breeder of panics and a responsive mother of trusts.

In the midst of a panic, facing an empty treasury, with our gold fleeing abroad, the Democrats came into power March 4, 1893, taking charge of the government under the McKinley tariff and the Sherman silver law, the enactment of which they had opposed, repudiated and condemned, both of which Secretary Foster criticised in his last report. From the wreckage, the old ship of state had to be rebuilt and order brought out of disorder.

In speaking of the inevitable embarrassment of the Democratic administration at this time, Mr. Noyes said:

"Probably no financial administration in our history has entered office under such disheartening conditions."

The Democrats in extra session, November 1, 1893, partially repealed the Sherman silver law. Therefore whatever happy results followed from this repeal should be credited to the Democrats.

The income tax, enacted by the Wilson Tariff Act, similar to those enacted by Congress for nearly a century, was declared by

the Supreme Court of the United States unconstitutional, about which the national Democracy in 1896 declared:

INCOME TAX PLANK.

But for this decision by the Supreme Court there would be no deficit in the revenue under the law passed by a Democratic Congress in strict pursuance of the uniform decisions of that court for nearly 100 years, that court having in that decision sustained Constitutional objections to its enactment which had previously been overruled by the ablest judges who have ever sat on that bench. We declare that it is the duty of Congress to use all the Constitutional power which remains after that decision, or which may come from its reversal by the court as it may hereafter be constituted, so that the burdens of taxation may be equally and impartially laid, to the end that wealth may bear its due proportion of the expense of the Government.

POPULATION AND WEALTH OF UNITED STATES (OFFICIAL). From Commerce and Finance, April, 1904.

	Population.	Wealth.	Per Capita.
1850.....	23,191,876	\$7,135,780,000	\$307.69
1860.....	31,443,321	16,159,616,000	513.93
1870.....	38,558,371	30,068,518,000	779.83
1880.....	50,155,783	42,642,000,000	850.20
1890.....	62,622,250	65,037,091,000	1,038.57
1900.....	76,303,387	*\$94,300,000,000	\$1,235.86

The following official table shows the annual income tax collected from 1863 to 1873, when our taxable wealth was much less than in 1894 or in 1906:

INCOME TAX—REVENUE FROM.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY.

WASHINGTON, D. C., December 18, 1893.

Sir—I have the honor to transmit herewith the statement of the Commissioner of Internal Revenue showing the amount of tax derived from income from all sources, under the income-tax law of 1862, for the years 1863 to 1873 inclusive, called for in Senate resolution of the 11th instant.

Very respectfully,

J. G. CARLISLE, *Secretary.*

HON. ADLAI E. STEVENSON,

President of the United States Senate.

RECAPITULATION BY YEARS.

Years.	From personal income.	From corporations.	From property in U. S. owned by any citizen residing abroad and interest on U. S. securities.	From income of 1863, special duty on.
1863.....	\$455,741.26	\$1,589,935.28	.....	.....
1864.....	14,799,313.88	3,656,244.79	\$134,048.44	.....
1865.....	20,400,671.69	8,519,527.00	303,326.93	.....
1866.....	60,547,882.43	8,716,881.91	.....	\$452,550.09
1867.....	57,040,640.67	7,943,796.69	.....	.....
1868.....	32,027,610.78	8,384,426.18	.....	.....
1869.....	25,025,068.86	9,204,824.46	.....	.....
1870.....	27,115,046.11	9,551,301.09	.....	.....
1871.....	14,434,949.39	3,940,438.81	.....	.....
1872.....	8,416,685.87	5,725,611.26	.....	.....
1873.....	3,927,252.76	1,017,517.14	.....	.....
Total...	\$264,190,863.70	\$68,250,504.61	\$437,375.37	\$452,550.09

(*Republican Campaign, 1904, p. 442.)

STATEMENT SHOWING RECEIPTS FROM INCOME TAX, ETC.

Years.	Total.	From salaries of U. S. Officers and employes.	Grand total.
1863.....	\$2,045,676.54	\$696,181.71	\$2,741,858.25
1864.....	18,589,607.11	1,705,124.63	20,294,731.74
1865.....	29,223,525.62	2,826,491.82	32,050,017.44
1866.....	69,717,314.43	3,717,394.69	73,434,709.12
1867.....	64,984,437.36	1,029,991.98	66,014,429.34
1868.....	40,412,036.96	1,043,561.40	41,455,598.36
1869.....	34,229,893.32	561,962.52	31,791,855.84
1870.....	36,666,347.20	1,109,526.42	37,775,873.62
1871.....	18,375,388.20	787,262.55	19,162,650.75
1872.....	14,142,297.13	294,564.65	14,436,861.78
1873.....	4,944,769.90	117,541.72	5,062,311.62
Total.....	\$333,331,293.77	\$13,889,604.09	\$347,229,897.86

The Republicans have stubbornly refused, over the protest of the Democrats, to take a single step towards the re-enactment of an income tax, because if justice were done it would inevitably compel the reduction of the exorbitant and oppressive tariff rates that foster and shelter the monopolies, combinations and trusts that perpetuate the Republican party in power.

Yet, notwithstanding all these adverse conditions, the official figures, given below, show that our exports of merchandise under the Wilson tariff, 1897, struck *the billion dollar mark*—\$1,154,379,735, while from October, 1892, to September, 1893—12 months—our exports were, under the McKinley tariff, *only* \$876,332,434. Here are the official figures issued by the "Treasury Department July 1, 1904, Circular No. 72":

TABLE NO. 1.

VALUES OF IMPORTS AND EXPORTS OF MERCHANDISE UNDER THE MCKINLEY TARIFF ACT.

	Imports.	Exports, domestic and foreign.
October 1, 1890, to September 30, 1891.....	\$824,716,842	\$923,362,015
October 1, 1891, to September 30, 1892.....	837,280,798	998,226,775
October 1, 1892, to September 30, 1893.....	830,150,318	876,332,434
October 1, 1893, to August 31, 1894.....	603,865,896	790,706,509

a Eleven months.

TABLE NO. 2.

VALUES OF IMPORTS AND EXPORTS OF MERCHANDISE UNDER THE WILSON TARIFF ACT.

	Imports.	Exports, domestic and foreign.
September 1, 1894, to August 31, 1895.....	\$759,108,416	\$806,670,050
September 1, 1895, to July 31, 1896.....	687,695,637	837,802,519
August 1, 1896, to July 31, 1897.....	766,296,619	<u>1,054,379,735</u>

TABLE NO. 3.

EXCESS OF EXPORTS OF MERCHANDISE ALONE AND OF MERCHANDISE AND SILVER UNDER MCKINLEY ACT.

	Merchandise.	Merchandise and silver.
October 1, 1890, to September 30, 1891.....	\$98,645,173	\$103,537,310
October 1, 1891, to September 30, 1892.....	160,945,977	175,091,707
October 1, 1892, to September 30, 1893.....	46,182,116	68,672,711
October 1, 1893, to August 31, 1894.....	186,840,613	221,327,708

TABLE NO. 4.

EXCESS OF EXPORTS OF MERCHANDISE ALONE AND OF MERCHANDISE AND SILVER UNDER WILSON ACT.

	Merchandise.	Merchandise and silver.
September 1, 1894, to August 31, 1895.....	\$47,561,634	\$84,876,022
September 1, 1895, to July 31, 1896.....	150,106,882	179,560,567
August 1, 1896, to July 31, 1897.....	288,083,116	318,379,772

TABLE NO. 5.

ANNUAL AVERAGE EXCESS OF EXPORTS OF MERCHANDISE ALONE.

Under McKinley Act of 1890.....	\$123,153,470
Under Wilson Act of 1894.....	161,917,210

TABLE NO. 6.

ANNUAL AVERAGE EXCESS OF EXPORTS OF MERCHANDISE AND SILVER.

Under McKinley Act of 1890.....	\$141,157,359
Under Wilson Act of 1894.....	194,272,120

TABLE NO. 7.

The McKinley tariff act took effect on the 6th day of October, 1890.

RECEIPTS FROM CUSTOMS AND TOTAL RECEIPTS FROM ALL SOURCES UNDER MCKINLEY ACT.

	Customs.	All sources.
Nine months ending June 30, 1891....	\$151,548,298.14	\$280,686,613.16
Fiscal year ending June 30, 1892....	177,452,964.15	354,937,784.24
Fiscal year ending June 30, 1893....	203,355,016.73	385,819,628.78
Fiscal year ending June 30, 1894....	131,818,530.62	297,722,019.25
Months of July and August, 1894....	20,673,479.59	76,351,447.54
Total.....	\$684,848,289.23	\$1,395,517,492.97

TABLE NO. 8.

The Wilson tariff act took effect on the 28th day of August, 1894.

RECEIPTS FROM CUSTOMS AND TOTAL RECEIPTS FROM ALL SOURCES UNDER WILSON ACT.

	Customs.	All sources.
Ten months ending June 30, 1895.....	\$131,485,137.86	\$237,038,627.57
Fiscal year ending June 30, 1896.....	160,021,751.67	326,976,200.38
Fiscal year ending June 30, 1897.....	176,554,126.65	347,721,705.16
Month of July, 1897.....	16,966,801.65	39,027,364.25
Total.....	\$485,027,817.83	\$950,763,897.36

The Dingley tariff act took effect on the 24th day of July, 1897.

The *average monthly* receipts from customs only, Wilson tariff, during the last thirteen months of its operation were \$14,886,225.25, while for the fourteen months under and preceding the repeal of the McKinley tariff the average monthly receipts from customs only were \$10,892,286.44.

The total customs receipts only for the two periods were:

Wilson tariff (13 months).....	\$193,520,928.30
McKinley tariff (14 months).....	152,492,410.21

These figures are based on tables 7 and 8.

The *average monthly* revenues from all sources, under the McKinley tariff, fiscal year 1894, were \$24,810,168.27, while under the Wilson Act, fiscal year 1897, and July following—thirteen months—the average monthly revenues from all sources were \$29,749,928.41, or for the fiscal year ending June 30, 1897—twelve months—\$28,976,808.76. These figures are based on tables 7 and 8.

TARIFF ON IRON AND STEEL.

A COMPARISON OF THE TARIFF LAW OF 1893 WITH THAT OF 1890.

One of the Republican arguments in favor of protectionism is that exports have always increased under a protective tariff and decreased under a tariff for revenue. This claim is sophistical. It is not borne out by the facts. During the four years' life of the Wilson tariff the exports of iron and manufactures thereof, exclusive of iron ore, exceeded the exports of the four preceding years under the McKinley protective tariff by \$128,239,783.

Table showing imports and exports of iron and manufactures thereof, exclusive of iron ore, for the four years, 1893-1896 inclusive, under the Wilson Tariff.

Year.	Imports.	Exports.	Excess of Imports over Exports.	Excess of Exports over Imports.
1893	34,937,974	30,106,482	4,831,492	.....
1894	20,925,967	29,220,264	.....	8,294,297
1895	23,048,515	32,000,989	.....	8,952,474
1896	25,338,103	41,160,877	.....	15,822,774
Total	104,250,559	132,488,612	4,831,492 Balance	33,069,545 28,238,053
				4,831,492

In the preceding 4-year period (protective tariff), 1889-1892 inclusive, we imported a total of \$166,629,767 and exported only \$104,288,829, leaving an excess of imports over exports to the amount of \$62,340,938, as compared with an increase of exports over imports under the Wilson tariff amounting to \$28,238,053.

In 1880, under a Republican protective tariff, we imported \$71,266,699 and exported only \$14,716,524 worth of goods of the same class. In 1891, two years before the Wilson bill was passed, we imported \$53,544,372 and exported only \$28,909,614. In these two years, 1880 and 1891, of high protection we exported a total of iron products reaching only \$43,626,138, or \$88,862,474 less than our exports of the same class of goods during the life of the Wilson tariff.

It is true that our iron industry has developed rapidly under impulse of high protection, which gives such enormous profits on capital invested in the manufacture of iron and steel. But where do those profits come from? Surely, they come out of the pockets of people who use iron and steel in this country more than they *can* or do *gold*; and they constitute, to the extent of the tariff tax, just so much taken from the people and given to the manufacturer. For while the tax on imports creates a monopoly for the manufacturer, the government gets only the amount paid on iron and steel actually imported, while the manufacturer—the great Steel Trust—gets an equal amount pro rata on all the domestic consumption. It is for this reason that the Carnegies, Fricks, Schwabs, Thaws, Coreys, Hartjes and the rest of the Coke

and Steel magnates have reaped such enormous fortunes from the American people. It was for this reason that they made the Dingley tariff of 1897, nearly prohibitive, and caused imports to fall off as compared with previous years.

Those who wish to retain this tariff do so either because they are deceived by false pretenses, or else because they are participating in the plunder. The Steel Trust, fortified behind this protectionism, plunders the American people and sells its products cheaper abroad than at home. The greater its exports under such circumstances the worse for our own people. See further remarks herein where it is clearly proven that the Steel Trust sells its products to foreigners cheaper than to American consumers.

SOME FACTS ABOUT THE SO-CALLED PANIC OF 1893.

Secretary of the Treasury Shaw devoted considerable attention to the tariff question in an address delivered at St. Louis. Mr. Shaw reminded his hearers of the hard times of 1893-4, and he sought to impress upon their minds the idea that tariff legislation by a Democratic Congress—the Wilson bill—was responsible for the hard times of that period.

It will be just as well to keep history straight. The truth is that every panic since the civil war originated under Republican rule and developed under Republican legislation.

The great panic which gave "Black Friday" to history occurred during the month of September, 1869, when the Republican party was in power.

The great panic marked by the failure of Jay Cooke & Co., occurred in September, 1873. Then the Republican party was in power and eleven months prior to the beginning of that panic that party had been re-elected to power.

The hard times to which Secretary Shaw refers did not begin in 1894; they began long prior to that year and, indeed, long prior to the presidential election of 1892; and it is a fact, although Republican orators and Republican organs try to forget it, that the so-called panic of 1893 began and played its greatest havoc under that famous tariff law known as the McKinley bill.

It may be well for Commoner readers to keep readily at hand some of the facts and figures relating to this question.

The Republican party was restored to power March 4, 1889.

The McKinley tariff bill became a law October 6, 1890, and remained in effect until August 27, 1894.

The Wilson tariff law, enacted by a Democratic Congress, went into effect August 27, 1894.

If any one will take the trouble to examine the Republican campaign text-book for 1904, pages 125, 126 and 127 he will find considerable space devoted to a statement of business disasters from July 18, 1893, until November 13, 1894. The Republican managers expected their readers to remember that the Cleveland administration was inaugurated March 4, 1893, and that all these disasters occurred under Democratic administration; but they expected their readers to forget that the Republican tariff law was in force up to August 27, 1894, or covering more than twelve months of the sixteen months' period of business disasters as described by the Republican text-book.

In their references to the panic of 1893 Republican orators and organs habitually overlook the date when the McKinley law ceased and the Wilson law went into effect. But when in their tariff discussions they are required to face the fact that that panic played its greatest havoc during the life of the Republican tariff law they answer that it was the anticipation of tariff legislation growing out of Democratic victory in 1892 which brought on these business disasters. For this reason in their list of business disasters they place July 18, 1893, as marking the beginning of that great panic.

Let it be remembered that the McKinley tariff bill became a law October 6, 1890, and that the first indications of the so-called panic of 1893-4 were given November 11, 1890, **A LITTLE MORE THAN THIRTY DAYS AFTER THE MCKINLEY TARIFF BILL BECAME A LAW.** From that date the panic raged.

The Harrison administration was inaugurated March 4, 1889, and when the first indications of this panic were given President Harrison had not exhausted the half of the term for which he was elected. It is admitted by everyone familiar with the facts that President Harrison's administration had plates prepared for the bonds and Mr. Harrison's Secretary of the Treasury made a visit to New York for the purpose of negotiating the bond deal. He was wired by Mr. Harrison to return to Washington. Mr. Harrison said that he had concluded not to have any bond issues under his administration, and in order to avoid the stigma the Harrison administration warded off the bond issue and unloaded it on the incoming Cleveland administration.

It may not be out of place to point out that when the Democratic administration surrendered the reins of government, March 4, 1889, there was in the federal treasury the largest surplus in history. When the Republican party went out of power, March 4, 1893, there was a large deficit, and the incoming administration was finally persuaded to make the bond issues which its Republican predecessor had at one time thought to be necessary, but had skilfully avoided.

The claim that the business disasters of the period referred to were due to the popular fear of tariff legislation to be enacted by Democrats is, as has been said, met by the fact that this panic began two years prior to the presidential election day of 1892. The following will serve as reminders on this point:

November 11, 1890, the reports showed financial distress in New York. The New York Clearing House Association voted its certificates to banks in need of assistance.

The Boston Clearing House Association did the same thing November 17. Barker Bros. & Co., big bankers in Philadelphia, suspended at that time, with liabilities placed at \$5,000,000.

November 19, 1890, there was a run on the Citizens' Savings Bank of New York, and a receiver was appointed for the North River Bank.

November 22, 1890, the United Rolling Stock Company of Chicago assigned, with liabilities at \$6,851,000.

November 28, 1890, B. K. Jamieson & Co., the Philadelphia bankers, failed, with liabilities at \$2,000,000.

December 6, 1890, the Oliver Iron and Steel Mills of Pittsburg shut down, discharging 2,000 employes. On the same date the cotton firm of Myer & Co., of New Orleans, failed, with liabilities at \$2,000,000.

January 3, 1891, the Scottdale Rolling Mills and Pike Works and the Charlotte Furnace and Coke Works in Pennsylvania closed, throwing 10,000 employes out of work.

January 18, 1891, the American National Bank at Kansas City suspended, with liabilities at \$2,250,000.

May 8, 1891, the Spring Garden National Bank at Philadelphia closed its doors, and the Pennsylvania Safe Deposit and Trust Company made an assignment.

The Homestead strike and other strikes during 1892, and prior to election day, are well remembered by the people.

—The Commoner, May 11, 1906.

REPUBLICAN CORRUPTION AND LIFE INSURANCE SCANDAL—THE CORTELYOU SCANDAL— DEPARTMENT OF COMMERCE AND LABOR.

On the afternoon of October 24, 1904, during the closing days of the Presidential campaign, Judge Parker was visited at his home, Rosemount, by a delegation comprising several political clubs which were then aiding in his campaign for the Presidency. Standing upon the veranda of his home, Judge Parker addressed them upon the issues of the campaign, and, among other questions discussed, spoke as follows:

"Many years have passed since my active participation in politics. In the meantime a startling change has taken place in the methods of conducting campaigns—a change not for the better, but for the worse; a change that has introduced debasing and corrupt methods, which threaten the integrity of our government, leaving it perhaps a republic in form, but not a republic in substance—no longer a government of the people, by the people, for the people, but a government whose officers are practically chosen by a handful of corporate managers who levy upon the assets of the stockholders whom they represent such sums of money as they deem requisite to place the conduct of the government in such hands as they consider best for their private interests. * * *

"Some of the enterprises which have unduly thrived through favoritism, and which have been permitted by statute to indirectly levy tribute upon the people, have, in the course of time become so rich and strong that they can and do contribute vast sums, when it is made clear that it will advantage them, and they contribute upon the promise, direct or implied, that they shall be permitted to continue to tax the people for their own benefit.

"Under such promises contributions have been made not infrequently in such large measure as to induce and procure colonization, repeating and bribery in doubtful States.

* * * * *

"The excessively protected interests which formerly poured out their treasure in order to continue existing and procure the passage of new laws permitting further accumulation, have been joined by the combinations popularly called trusts. Their plan is to perpetuate the present administration.

* * * * *

"A corporation will subscribe to a political party only because the corporation expects that party, through its control of public officers, executive or legislative, to do something for the benefit of the corporation, or to refrain from doing something to its injury. No other motive can be imagined. In the nature of things, no other motive can exist.

"The relations established mean the expectation, if not the agreement, actual or implied, that government action is to be influenced by and for corporation interests. No sophistry can give any other aspect to the transaction in the minds of reasonable men."

AND AGAIN, ON THE NIGHT OF OCTOBER 31, 1904, JUDGE PARKER ADDRESSED A MASS-MEETING IN MADISON SQUARE GARDEN, NEW YORK CITY, AND IN DISCUSSING THIS SAME QUESTION, SAID:

"In the earlier utterance, I have referred in detail to what is notoriously going on in the matter of the collection of funds by the Re-

publican party for the campaign. Now, I know, as you know, that money is required in order to defray the expenses of a campaign. Under right conditions its collection and expenditure are equally legitimate. But the spectacle of demanding campaign funds now presented to this country is, when rightly regarded, of a character to shock the moral sense.

"WE SHALL DO WELL TO PAUSE FOR A MOMENT TO ASK WHITHER WE ARE DRIFTING IN OUR INDIFFERENCE TO RIGHT STANDARDS, AND TO OUR OLD-FASHIONED SENSE OF PROPRIETY IN SUCH MATTERS.

"Congress creates a new Department of Commerce and Labor. Of that department the President of the United States appoints a Secretary. That Secretary was his private Secreary. Within the department provision is made for the collection, from large corporations, including the so-called tusts, of information which, it is to be borne in mind, is to be submitted to the President for public or private use, as he may direct. By grace of the same Executive this Secretary, through whose department this information is collected, becomes Chairman of the Republican National Committee. His chief duty it has been, and still is, to collect funds for the purpose of securing the election of the President. AND IT IS NOW NOTORIOUS THAT THERE HAS RESULTED FROM THIS ORGANIZED IMPORTUNITY—WHATEVER MAY BE THE PRECISE WAY IN WHICH IT IS MADE EFFECTIVE—AN OVERFLOWING TREASURY TO THE COMMITTEE, OF WHICH BOAST IS OPENLY AND CONTINUALLY MADE. ALTHOUGH THIS MAY BE SATISFACTORY TO THE CONSCIENCE OF REPUBLICAN LEADERS, IT MUST, I FIRMLY BELIEVE, BE CONDEMNED AS NOTHING SHORT OF SCANDALOUS, NOT ALONE BY MYSELF OR THE DEMOCRATIC PARTY, BUT BY THE AMERICAN PEOPLE AS WELL.

"It is said by Mr. Hay that the character of Mr. Lincoln furnishes the standard for Mr. Roosevelt in his conduct as President. I do not have to pause to hear you thundering 'No!' when I ask, 'Would Lincoln have done or permitted this to be done?' The whole performance is a shameless exhibition of a willingness to make compromise with decency in order that sums of money may be gathered together sufficiently vast to justify the insolent boast, even now, that there is no question as to the success which, by such a course, the Republican managers so confidently predict. The performance is entitled only to the credit that it in no sense partakes of hypocrisy. It is as bold as it is improper and indefensible."

Not until November 4, 1904, twelve days after the first utterance of Judge Parker on this question, did President Roosevelt deign to publicly take cognizance of the charges made by Judge Parker, at which time he gave out a public statement, in which he said:

* * * * *

"But there is not one particle of truth in the statement as regards anything that has gone on in the management of the Republican campaign. Mr. Parker's accusations against Mr. Cortelyou and me are monstrous. If true, they would brand both of us forever with infamy; and, inasmuch as they are false, heavy must be the condemnation of the man making them.

* * * * *

"The assertion that Mr. Cortelyou had any knowledge gained while in any official position whereby he was enabled to secure, and did secure, any contributions from any corporation is a falsehood. The assertion that there has been any blackmail, direct or indirect, by Mr. Cortelyou or by me, is a falsehood.

"The assertion that there has been made in my behalf and by my authority by Mr. Cortelyou, or by anyone else, any pledge or promise, or that there has been any understanding as to future immunities or benefits, in recognition of any contribution from any source, is a wicked falsehood."

ON THE NIGHT OF NOVEMBER 5, 1904, JUDGE PARKER ADDRESSED A LARGE AUDIENCE IN BROOKLYN, AND TOOK OCCASION TO REPLY TO PRESIDENT ROOSEVELT'S STATEMENT. HE SAID, IN PART:

"WHETHER THERE WERE REAL DIFFICULTIES BETWEEN THESE GREAT POWERS AND THE ADMINISTRATION, DIFFICULTIES WHICH HAVE SINCE BEEN SETTLED TO THE SATISFACTION OF ALL PARTIES CONCERNED, OR WHETHER THERE WERE NO DIFFICULTIES TO BE COMPROMISED AND ADJUSTED, THEIR ACTION BEING BUT A PLAY TO DECEIVE THE VOTERS, THE FACT REMAINS THAT THE TRUSTS ARE NOT NOW OPPOSED TO THE CONTINUANCE OF THE PRESENT ADMINISTRATION. ON THE CONTRARY, IT IS COMMON KNOWLEDGE THAT THEY HAVE DETERMINED TO FURNISH SUCH A SUM OF MONEY TO THE REPUBLICAN NATIONAL COMMITTEE AS IT IS HOPED WILL SECURE THE 'FLOATERS' IN THE DOUBTFUL STATES FOR THE REPUBLICAN TICKET.

* * * * *

"HE SHUT HIS EYES TO WHAT WAS GOING ON, AND SINCE THAT TIME THERE HAS BEEN THE FREQUENT MEETING OF THE TRUST MAGNATES, THE MONEYS HAVE BEEN POURING INTO THE TREASURY ALL THE MORE FREELY AND ALL THE MORE PLENTIFULLY BECAUSE OF THE ATTITUDE TAKEN BY ME, AND WHICH, IT IS TRUE, I HAVE ENFORCED FROM DAY TO DAY. THE PRESIDENT DOES NOT DENY THESE CONTRIBUTIONS NOW.

* * * * *

"He is in a position to know what contributions have been made to the Republican National Committee by the trusts; if there have been no trust contributions he could easily have said so. He did not say so. He cannot say so. He has waited until the closing hour of the campaign to make easier the pretense of an answer. But it is not an answer. It is a confession with a plea in avoidance addressed to a kindly and generous people.

"If there was any doubt of the source of this great campaign fund, it is no longer a matter of suspicion, for Mr. Elihu Root, the former Secretary of War, frankly admitted last night that trusts and corporations were heavy contributors. He denied only that the total amount thus acquired or utilized was as large as in previous years. Moreover, the Republican candidate himself denies only that definite immunity from prosecution has been promised trusts for their assistance. He declares that he is merely to give them a 'square deal,' as the term may be interpreted not by the laws of the land, but by himself. It is plain that when the time shall come to determine what 'a square deal' between the Government of the United States and the contributing trusts really is, the beneficiary of the generosity of the latter must either recognize their service or confess himself guilty of base ingratitude."

JUDGE PARKER RECEIVED FROM ONE WHO KNEW THE NAMES OF THE FEW WHO UNDERTOOK TO UNDERWRITE THE CAMPAIGN, *BUT THE NAMES WERE GIVEN IN CONFIDENCE, AND HE RESPECTED THAT CONFIDENCE.* THE CHARGE WAS MADE BY HIM, NOT AT ALL WITH THE IDEA THAT IT WOULD INFLUENCE THE RESULT, BUT BECAUSE HE BELIEVED THAT SUCH PRACTICES MUST END OR THE REPUBLIC WILL SOON BE ONE IN NAME ONLY. THAT THE PSYCHOLOGICAL MOMENT TO AROUSE PUBLIC INTEREST WAS BEFORE THE CAMPAIGN CLOSED, NOT AFTERWARD, WHEN IT COULD BE CHARGED THAT THE STING OF DEFEAT WAS HIS MOTIVE. SUCH A PUBLIC INTEREST AS SHOULD BRING ABOUT INVESTIGATION

OF THE CONTRIBUTIONS OF INSURANCE COMPANIES, BANKS, TRUST COMPANIES, RAILROAD COMPANIES AND GIANT-PROTECTED INTERESTS, WAS HIS AIM.

THE PROOF.

On September 20, 1905, Mr. John A. McCall, president of the New York Life Insurance Company, testified before the Legislative Insurance Investigating Committee, and was examined by Mr. Charles E. Hughes, counsel for the committee, regarding contributions made by the New York Life Insurance Company to the Republican National Committee during the Presidential campaign of 1904. On page 639, volume 1, of the testimony and proceedings had before that committee, will be found the following questions and answers, the same being questions asked by Mr. Hughes, and answers given to those questions by Mr. McCall:

"Q. In connection with another matter which has received a good deal of attention, to wit: Campaign contributions. The other day there was an entry shown of some \$48,000 paid to Mr. Bliss for the Republican National Committee last fall. You had knowledge of that payment?

"A. I had full knowledge of it.

"Q. And you approved it?

"A. I approved of it, and do now."

Again, on October 10, 1905, Dr. Walter R. Gillette, vice-president of the Mutual Life Insurance Company, testifying before the same committee, examined by Mr. Hughes, gave the following testimony:

"Q. Well, do you happen to know what contributions to any campaign funds of any party was made last year out of the moneys of the Mutual Life Insurance Company?

"A. Yes.

"Q. Please state what you know on that subject?

"A. We made a contribution to the National Republican Committee.

"Q. Of how much?

"A. I think it was—I think it was about \$40,000."

This testimony may be found upon pages 1351 and 1352, volume 2, of the official proceedings had before the same committee. The amount of the contribution, however, was subsequently proven to be \$50,000.

On November 14, 1905, Mr. James H. Hyde, vice-president of the Equitable Life Assurance Society, testified before the same committee in regard to campaign contributions made by his company. His testimony regarding this question may be found on page 2219 of the official report of proceedings, volume 3. He testified in part as follows:

" * * * * * The third purpose was political contributions.

"Q. And what were they, so far as you were informed of them?

"A. I know of only one of those, which was for the last Presidential campaign.

"Q. In what amount?

"A. Of \$25,000.

"Q. And to whom made?

"A. Made to Mr. Bliss at his request through Mr. Frick.

"Q. How did you become aware of the contribution?

"A. Mr. Frick asked me for it, and I asked Mr. Alexander, and Mr. Alexander approved of the contribution.

"Q. Upon what grounds did he suggest that such a contribution should be made by the Equitable?

"A. He suggested that it was to the best interests to the Equitable and the best protection of the Society's assets that the Republican party should be re-elected and kept in power.

"Q. Was any mention made by him of an earlier contribution made by the Society?

"A. I have since learned that a contribution was made in the summer in my absence which I had nothing to do with.

"Q. An amount in addition to the amount you have previously stated?

"A. Yes, sir.

"Q. Do you know the amount?

"A. I have since learned the amount was \$25,000.

"Q. That made a total of \$50,000?

"A. Yes, sir."

WHAT THE SEQUEL PROVES.

The report of the Armstrong committee of the New York legislature, published since Mr. Roosevelt made these *sweeping and apparently impassioned*, but really crafty, denials, *proves that Parker spoke the truth*, and that Roosevelt was mistaken when he said the charge was "unqualifiedly and atrociously false." A Republican member of Congress, even from Pennsylvania, Mr. Edward Morrill, summarized the matter so well in a speech delivered in the House of Representatives, December 15, 1905 (Congressional Record, December 21, 1905), that some of his remarks are incorporated herewith. Mr. Morrill said:

"As it is, nobody can feel safe, because nobody knows what these *giants* are doing. The reports which they have made to the *State authorities* (Republican officials) have been shown to be false, and the reports of the insurance superintendents are clearly worthless or worse. The Equitable Life made its own attorney, a gentleman named Pierce, State superintendent of insurance. The three great companies have combined in order to support a corrupt lobby at Albany. They have been giving hundreds of thousands of dollars to such men as Andrew Hamilton, A. C. Fields, W. S. Thummel and other lobbyists. The Equitable, according to the testimony, has paid \$10,000 a year for a long time to Senator Platt (Republican) for use in elections. The Mutual has on several occasions paid \$10,000 to Senator Platt for the same purposes. In the campaigns of 1896, 1900 and 1904 the Mutual, the Equitable, and New York Life, the Metropolitan, and the Prudential contributed large sums to the REPUBLICAN NATIONAL COMMITTEE. The testimony of Messrs. Thummel, Perkins, McCall, Olyphant, Hegeman, Hon. Thomas C. Platt, Hon. John F. Dryden and Hon. Chauncey M. Depew (Republican) discloses these facts.

"*These payments were not recorded in the books of the insurance companies.* Neither were they reported to the authorities of any State in the *sworn* reports of these companies. Mr. Richard A. McCurdy swore that if any contribution had been made by the Mutual to any New York State campaign committee he knew nothing about it. Senator Platt in his own testimony contradicted this statement. Concerning such contributions, Senator Platt said that he had received as contributions to the Republican State committee's campaign fund the sum of \$10,000 a year for a period of *ten or fifteen years* from the Equitable Life Assurance Society. During the same period he received

\$10,000 a year for a number of years, but not every year, from the Mutual Life Insurance Company. The Senator explained that the contributions of the Equitable and the Mutual had always been *sent* him in *cash* by a messenger. When asked if he had ever solicited these contributions he said that he had not, but had talked with President McCurdy, of the Mutual, about funds.

"On this point the questions by Mr. Hughes and the answers by Senator Platt were as follows:

"'Q. How did it happen that the Mutual Life contributed the money? Was it in pursuance of an understanding between yourself and Mr. McCurdy?—A. I simply asked him at various times when necessities were very great for money, and he said he would be very glad to subscribe.'

"'Q. This was for the state campaign?—A. Yes, sir.'

"'Q. And Mr. McCurdy so understood it?—A. He understood it, and could not understand it any other way, because I was not representing the national campaign.'

"Senator Platt said that he had received a few contributions of \$10,000 a year from Mr. John A. McCall, president of the New York Life Insurance Company, but had no personal knowledge as to whether or not the money came out of the funds of the company or was a personal contribution from Mr. McCall.

"I submit the questions and answers as to the motives which prompted these contributions:

"'Q. SENATOR, WHAT DO YOU UNDERSTAND WAS THE QUID PRO QUO OF THOSE CONTRIBUTIONS? DID YOU EVER UNDERSTAND THAT THE COMPANIES MIGHT EXPECT SOMETHING IN RETURN?—A. I SUPPOSED THAT THEY WOULD EXPECT MY INFLUENCE IN OPPOSITION TO ADVERSE LEGISLATION.'

"'Q. Did they ever ask you to influence legislation?—A. Never.'

"'Q. Could you have done so?—A. No.'

"'Q. Then what service could you render?—A. I suppose that they thought I might have some little influence with my party (Republican).'

"The 'legal expenses' of the Mutual were \$347,000 in 1903, \$130,000 in excess of 1902, when they were \$216,000. For 1904 they were \$459,000, in 1901, \$243,000. In these four years the 'legal expenses' of the Mutual amounted to \$1,265,000. Mr. Robert Olyphant, who is a member of its committee of expenditures, says that money for secret and confidential purposes is charged to the account of 'legal expenses.'

"Mr. Olyphant said on the witness stand October 10, 1905, that the Mutual Life had paid out \$200,000 on vouchers of \$25,000 each, in 1903 and 1904, on account of 'private legal expenses.'

"Mr. Robert A. Grannis, vice-president of the Mutual Life, testifying on the same day, said:

"'If money was necessary to protect the company against adverse legislation, there was no hesitation in laying out the requisite funds.'

"Mr. Walter R. Gillette, vice-president of the Mutual Life, said that the general solicitor of the company could get whatever funds he wanted without giving any reason for it."

Thummel testified that he had delivered to Chairman Babcock \$5000 of the money of the Mutual Life Insurance Company for the use of the Republican Congressional campaign in 1904.

George W. Perkins testified that he had given Chairman Bliss, of the Republican National Committee, between forty and fifty thousand dollars, and had been reimbursed by the company after the election, so that the contribution did not appear on the company's books. The New York Life, the Mutual and the Equitable contributed \$50,000 each to the Republican National Committee in 1904. The Prudential Life, Senator Dryden's company, also contributed very largely. The contributions were, as Judge Parker charged—

"moneys belonging to their stockholders; moneys not given in the open and charged upon the books as moneys paid for political purposes, but hidden away by false bookkeeping."

No man can honestly doubt or deny that the railroad companies, banks, trust companies and other great corporations contributed in the same surreptitious and unlawful manner to the Republican campaign fund of 1904, or that, in making the contributions, they all thought that Bliss and Cortelyou, as well as Platt, "might have had some influence with the party," and would exert that influence in the interest of the contributors. Nor can it be doubted that political influence was exerted to keep Bliss and Cortelyou off the witness stand in the insurance investigation. Why has not President Roosevelt required Bliss and Cortelyou to make restitution of the moneys thus unlawfully received by them? Why did he not urge the passage of the Tillman bill to prohibit contributions by corporations to party campaign funds in the future? Why did he not urge the passage of the Tillman resolution for the investigation of contributions by national banks to party corruption funds?

Republican ex-Postmaster-General John Wanamaker says:

"I have been a Republican since 1860, but my party stinks in the nostrils of decent men. If the people are willing to uphold such corruption as many of the leaders practice and to condone their dishonesty, God help the country."

General Wanamaker thus spoke several years ago before the recent disclosures of corruption and fraud in his own State (Pennsylvania), and New York, both governed by Republican Governors and Officers—and laws made by Republican legislatures.

GOOD FOR THE SOUL.

HOWEVER DESIRABLE IT WAS TO DEFEAT THE FREE SILVER AGITATION IN 1896, DID THE END JUSTIFY THE MEANS EMPLOYED TO ACCOMPLISH THAT DEFEAT? IT IS NOT TOO MUCH TO SAY THAT THE MONEY SPENT IN 1896 TO PREVENT THE ELECTION OF BRYAN RESULTED IN POLITICAL DEBAUCHERY, SUCH AS WAS NEVER BEFORE EXPERIENCED IN THE UNITED STATES, AND FROM WHICH THE POLITICS AND BUSINESS OF THIS COUNTRY HAVE NOT EVEN YET RECOVERED. IT IS NOT FAR FROM THE TRUTH TO SAY THAT THE COUNTRY HAS SUFFERED MORE BY REASON OF THE POLITICAL CORRUPTION OF THE 1896 CAMPAIGN THAN IT WOULD HAVE SUFFERED FROM THE TRIUMPH OF FREE SILVER, LAMENTABLE AS THAT WOULD HAVE BEEN. BRYAN'S TRIUMPH OF FREE SILVER WOULD HAVE GIVEN THE MARKETS A TERRIBLE SHOCK, BUT BRYAN COULD NOT HAVE REALLY DONE MUCH HARM IN A PRACTICAL WAY, AND THE COUNTRY WOULD HAVE MADE A SPEEDY RECOVERY FROM THE DISASTER, BUT IT WILL TAKE MANY YEARS TO RECOVER FROM THE EFFECTS OF THE POLITICAL DEBAUCHERY WHICH HAS BEEN BROUGHT ABOUT BY THE ABUSE OF MILLIONS OF DOLLARS IN POLITICAL CAMPAIGNS.—*WALL STREET NEWS*.

But the stream of corruption continues from year to year, from election to election—and always from the same locality and same fountain head—Republican states, Republican strongholds, under Republican laws,

PANAMA SUPPLIES.

MANUFACTURERS' ASSOCIATION'S ACT—FAVOR PURCHASES IN OPEN MARKET.

The Committee on Resolutions of the National Association of Manufacturers, which met in Atlanta, May 16-18, 1905, by a "rising vote, rejected" a proposition calling for such a law, as shown by the following:

The President—We have another resolution from the committee.

The Secretary—The chairman of the Committee on Resolutions moves the adoption of the following:

Whereas, It is reported by The Associated Press that the Isthmian Canal Commission has decided (Washington, D. C., May 15, 1905) to purchase materials, etc., in connection with the construction of the Panama Canal from foreign countries and foreign producers; and,

Whereas, The construction of the Panama Canal is an American enterprise, by the American Government, to be paid for with American money,

Resolved, That the National Association of Manufacturers in annual convention assembled earnestly protests against the reported policy of purchase of foreign materials, etc., and requests that American materials produced by American workmen be used exclusively in connection with said enterprise, excepting, of course, such materials as are not produced in this country.

A leading member (Mr. Post) of the Association, in opposing this resolution, said:

"I do not propose to take issue one way or the other on this question, but I want to call your attention to this fact, that if we pass that resolution, we, as manufacturers, must remember that we are not all of America. America is for Americans, but we are not all there is of America, and we are asking the United States Government and all of the people in America—some eighty millions of them—to tax themselves in excess for our PARTICULAR BENEFIT." (Applause.)

Other speeches were made pro and con.

The President—The question is called for. Those in favor of the motion will make it known by saying "aye;" those opposed "no." The "noes" seem to have it.

Mr. Seabury (who favored the resolution) said: "Let us have a rising vote on that."

On a rising vote the resolution was rejected.

FOREIGN CEMENT BOUGHT.

AMERICAN CEMENT 37 CENTS HIGHER THAN FOREIGN CEMENT.

SECRETARY BISHOP'S LETTER.

Washington, D. C., April 16, 1906.—Sir—In the absence of Mr. Shonts, I have the honor to acknowledge the receipt of your letter of the 16th inst., transmitting a communication from the Hon. Wm. Lorimer, dated the 10th inst., inclosing a letter from the Chicago Portland Cement Company, bearing date April 2, 1906, with reference to the last purchase of Portland cement by the Isthmian Canal Commission on October 7th, last.

When the lot of cement in question was purchased a number of bids were received on American cement and a number also on foreign cement. THE LOWEST BID RECEIVED ON AMERICAN CEMENT WAS 37 CENTS PER BARREL HIGHER THAN THE LOWEST BID ON FOREIGN CEMENT. AFTER FULL INVESTIGATION AND TEST THE LOWEST BID WAS ACCEPTED, AND THE CEMENT FURNISHED ON THE CONTRACT HAS PROVEN TO BE VERY SATISFACTORY. AS THE QUANTITY OF CEMENT PURCHASED AT THAT TIME WAS 20,000 BARRELS, YOU WILL NOTE THAT THIS LOT OF CEMENT WOULD HAVE COST \$7,400 MORE IF THE USE OF FOREIGN CEMENT HAD BEEN PROHIBITED.

The statements made in the communication from the Chicago Portland Cement Company as to the desirability of purchasing materials needed in the construction of the canal as far as possible in the United States are fully appreciated, and where prices have been *anything like equal* home concerns have been favored.

OPEN MARKETS A WISE POLICY.

I think you will agree, however, that in the case of the lot of cement in question the commission would not have been justified in paying \$7,400 more for American cement than for foreign cement, particularly in view of the fact that there was no doubt as to the quality of the foreign cement being fully equal to that offered by the lowest bidder on American cement.

Very respectfully,

JOSEPH BUCKLIN BISHOP, *Secretary.*

HON. A. J. HOPKINS, *United States Senate, Washington, D. C.*

—(American Economist, May 4, 1906.)

The Secretary of War (Taft) stated to Congress that he had saved a great deal of money for the government by purchasing supplies from Australia and other foreign countries for the use of our army and officials operating in the Philippine Islands; that he had also *saved* money by purchasing some of the Panama supplies *in the open markets of the world, and thought it was wise to do so.* But the Republicans, put and maintained in power by the Steel Trust, Cement Trust and other trusts which furnish building material, would not have the law that way, and on June 25, 1906, over the protest of the Democrats, the Republicans passed this Joint Resolution, No. 60:

REPUBLICANS VOTE TO GIVE TRUSTS CONTROL.

"Resolved by the Senate and House of Representatives of the United States in Congress assembled, That purchases of material and equipment for use in the construction of the Panama Canal shall be

restricted to articles of domestic production and manufacture, from the lowest responsible bidder, unless the President shall, in any case, deem the bids or tenders therefor to be extortionate or unreasonable."

Approved June 25, 1906.

By this resolution the purchase of supplies for the Panama Canal is now by virtue of the vote of the Republicans of both the Senate and House, compelled to be made of the Trusts and Combines, unless their bids for material are "extortionate or unreasonable." What is extortionate or unreasonable is left for the President to decide and not to competitive bids in the open markets of the world, as justice to the taxpayers demands. How can the President or *anyone know* a given price is "extortionate or unreasonable" unless he has competitive bids? How can the President well know what a foreign concern will furnish a given article for unless the *foreigners* are allowed to bid?

The Senate, before adopting the joint resolution No. 60, rejected, by a party vote, the amendment of Senator Mallory to strike out the words "extortionate or." The Senate also refused, by a party vote, the substitute proposed by Senator Carmack, which read as follows:

"That in all the contracts for the purchase of material and equipment for use in the construction of the Panama Canal preference shall be given to articles of domestic production or manufacture, *conditions of quality and price being equal.*"

The determination of the Republican Senators to *compel* the President and the War Department to purchase supplies for the Panama Canal of the Trusts and Combines is further shown by the text of the *original* resolution as recommended by the Secretary of War, Mr. Taft, which was as follows:

"*Resolved, etc.,* That purchase of material and equipment for use in the Construction of the Panama Canal shall be restricted to articles of domestic production and manufacture **UNLESS THE PRESIDENT DEEM THE BID THEREFOR TO BE UNREASONABLE.**"

It will be noticed that the words "extortionate or" and the sentence following the word unreasonable were added by the Senate Finance Committee.

The Shipbuilding Trust and the Steel Trust were evidently the main levers that moved the Republican members of Congress to force through this resolution, which compels the Panama Commission to pay \$35,425 each more for 100 dredges, or \$3,542,400, that being the number stated that will be purchased.

Two ships had already been purchased for the use of the Canal Commission before the above resolution was adopted by Congress, and the price paid indicates that the President at that time had backed down from his position of "buying in the cheapest market" under the extreme pressure from the trust magnates and protected monopolists and the other organized protectionists.

Two foreign-built ships of 6,000 tons capacity each had been offered to the Canal Commission for \$750,000 each, but two American-built ships were purchased of 5,700 tons capacity for \$1,300,000.

Senator Stone, of Missouri, said in the Senate (see Cong. Record, June 1, 1906, p. 7904):

"These two American ships, known as the *Havana* and *Mexico*, were purchased at the price named of the New York and Cuban Mail Steamship Company of New York, commonly known as 'The Ward Line.' They had been in commission and in active service for from seven to eight years. Last December I had occasion here in the Senate to refer to the purchase of these ships and to comment on the transaction. At that time I called attention to the fact—for it is a fact that no Senator here will dispute—that it is a rule, based on experience, for shipowners to write off 5 per cent. of the cost value of the ship for every year it is in active service. In addition to that, it is generally agreed that the average life of a ship's boiler plant is about eight years, and that the boiler plant represents about 15 per cent. of the total value of the steamer. I called attention to the fact that these ships, the *Havana* and the *Mexico*, had been in active service for from seven to eight years, as shown by the public records. Upon the strength of those facts I then contended, as I now contend, that the real market value of these ships at the time the Government purchased them could not have been more than about 60 per cent. of their value when new. In the very nature of things, tested by whatever rule, there must have been a depreciation of from 35 to 40 per cent. in the value of those ships. But at that time I was not able to give the original cost of the ships; that is, the price paid the builders for constructing them. Now, however, I am able to supply that information.

"At the hearings had before the Merchant Marine Commission during the spring and summer of 1905 Mr. Alfred G. Smith appeared as a witness. See his testimony, volume 1, of the hearings. He testified that he was secretary and treasurer of the Ward Line, and he gave a list of the ships constituting the fleet of that line, with the dates of their construction. On page 131, volume 1, of the hearings, Mr. Smith testified:

"'We have two vessels of 5,700 tons each. They are 16-knot ships.'

"These were the *Havana* and the *Mexico*. Senator LODGE inquired as to how much they cost, and Mr. Smith answered:

"'In the vicinity of \$550,000 apiece; perhaps \$600,000.'

"So we have it directly from the lips of one of the chief officials of the company, for whom the ships were built and who sold them to the Government, that they cost originally in the vicinity of \$550,000 each, or possibly, he said, as much as \$600,000 each. Here, then, we have an example of how the President kept his promise, so vociferously and repeatedly made, to guard the Treasury and the people against the inroads of plunderers.

"Two English ships of larger tonnage were offered for \$750,000, but the opportunity to buy them was abandoned under pressure and two American ships of lighter tonnage were purchased for \$1,300,000, which was from \$100,000 to \$200,000 more than the ships cost the owners when they were built.

"Be it also remembered that under the rule universally observed by shipowners of writing off a percentage of the value of a vessel for each year of active service these ships were necessarily worth from 35 to 40 per cent. less the day the Government bought them than they were the day the Cramps, who built them, delivered them to their owners."

OTHER MATERIAL PURCHASED.

In Senate Document 261, part one, there is a list of contracts aggregating \$1000 or more entered into by the Isthmian Canal Commission from February 1, 1905, to October 31, 1905. That document shows that 290 contracts were entered into during the nine months named of the total amount of \$6,124,658.21. A large

proportion of these contracts were supplied by the steel and other trusts, and for some unexplained reason the price at which the articles were furnished is not given in the report probably because the price exceeded what the price *the same trusts were selling similar articles abroad*.

There is also part two of the same document which contains a list of 112 other purchases of the Canal Commission from November 1, 1905, to March 7, 1906, which in the aggregate amount to \$893,387.74.

Taking these 13 months' purchases of supplies as what will be required on the average, gives the annual purchases for supplies as \$6,478,196.28 without including the ships and dredges and other heavy machinery and small items costing less than \$1000. As it is expected that the canal will take at least ten years to build the materials will cost exceeding \$64,000,000. As the difference in the price here and the price abroad on such supplies is on the average about 40 per cent. in consequence of the protection to the trusts, it will be seen that the increased expenditures under this Republican policy will be at least \$38,400,000 and the increased cost of the dredges and ships, added to the above would make the total extra cost exceed \$40,000,000. And that would not allow anything for the purchase of more ships and dredges.

The Democratic position on the purchase of these supplies was to leave with the Isthmian Canal Commission the power to buy supplies in the cheapest market and to confine their purchases to American products if the price does not exceed the standard export price. The Republicans claimed there was no such thing as a standard of export prices, but the testimony of Mr. Shonts, the President of the Commission, and Mr. Ross, the purchasing agent of the Commission, shows that there is a standard of export prices. That testimony is as follows:

Mr. SHONTS—"I would favor buying in the open market for the reasons Mr. Ross has stated. I think the fact that we have that privilege enables us to get our American made material cheaper. I think that the steel companies, to illustrate, *give us the benefit of their export prices.*"

Mr. ROSS—"There is one other thing that I might have said. I do not know positively, as I said a while ago, that the United States steel export companies, for instance, would take advantage of us if we didn't have the right of foreign competition, but they do put our business on an export basis now. For instance, on steel rails—we have bought steel rails during the last year for \$26.40 a ton, delivered alongside a vessel at Baltimore, while the rate that they usually charge the railroads of this country was \$28 at the mill." (See Congressional Record, June 16, 1906, page 8909.)

That evidence also shows that foreign competition kept the steel trust and the other combines to reasonable prices, somewhere near their regular export prices, but now the law has been changed to compel the purchase of supplies in the United States, unless the President decides the price is "extortionate or unreasonable" will allow the trusts to advance prices to the point where the President should declare they are extortionate. How high the prices will be, before the President decides they are extortionate is a matter of speculation and in view of the decision of President

Roosevelt to "stand pat" like the other trust-favoring Republicans of Congress probably never will be decided and the trusts will be allowed to charge "all the traffic will bear."

In less than three months after this pro-trust resolution was signed by the President, what happened?

BIDS FOR ENGINES TO GO TO CANAL.

BALDWIN LOCOMOTIVE WORKS' PRICE \$458,600 FOR
FORTY MOGULS—ONLY ONE RAIL BIDDER—SUB-
SIDIARY OF STEEL TRUST MAKES PRICE
OF \$29.45 PER TON F. O. B.
BALTIMORE.

Bids were opened this morning at the offices of the Isthmian Canal Commission for forty Mogul engines and for 5000 tons of steel rails for use on the Isthmian Canal.

The Baldwin Locomotive Works, of Philadelphia, was the lowest bidder on the engines, offering to deliver them at Colon for \$458,600. The bid of the Lima Locomotive Machine Company, Lima, Ohio, was \$475,200 and that of the American Locomotive Company, of New York, \$526,000.

There was only one bidder offering to supply the steel rails. That was the U. S. Steel Products Export Company, of New York, a subsidiary of the Steel Trust. Its bid was \$147,250, which is at the rate of \$29.45 per ton, delivered f. o. b. cars at Baltimore. An alternate bid, for delivery at Colon, raises the price by \$16,250. THIS BID IS CONSIDERED EXTREMELY HIGH, BUT BEING THE ONLY ONE SUBMITTED MAY BE ACCEPTED.—Washington Times, September 6, 1906.

SHIP SUBSIDIES AND HIGH TARIFF.

John Roach, protectionist ship builder, to a special committee of the House in 1869, said:

"America has lost her commerce, and what has she obtained in exchange for it? Simply the right of a few men to charge \$9.00 per ton in gold on the importation of pig iron. Pig iron is the basis of all other metals connected with the making and repairing of ships. There has been a revolution in shipbuilding, and iron is the material from which they are now built. The high cost of iron produced by the tariff upon it is one of the principal difficulties our commerce has to contend with. I did not come here to ask a bounty. I came here to tell you that while all other articles of American produce are protected to a great extent there is no protection for American ships. If Congress will take off all the duties from American iron, reducing it to the price of foreign iron, then we are prepared to compete with foreign shipbuilders. The labor question is mistaken; we are prepared to meet that difficulty and to ask no further legislation on the subject."

Mr. Morrill, protectionist Republican, asked Mr. C. H. Cramp as to the rate of duty imposed on shipbuilding material and Mr. Cramp replied:

"About 40 per cent., and if our shipbuilders could be relieved from that, they could compete successfully with foreign shipbuilders. The

difference in the cost of labor would be overcome by the superiority of American mechanics. Wooden ships will no longer be built, since iron ships are superior in every respect."

Senator Chandler, of Michigan, in 1872, said:

"It is desirable to own iron ships, very desirable, and I hope to see the day when we shall have our old supremacy in shipping, but it never will be done in the world by subsidies. It is not the subsidized lines of Great Britain that pay the largest returns. * * * You will never restore your flag to the ocean by subsidies, I care not how great you may make them; you may increase your subsidies to \$10,000,000 a year and you will not restore your flag."

Senator Morrill, of Vermont, in 1872, said:

"Is it practicable to recall our shipping? I think it is, and by the simplest process. NOT A DOLLAR OF SUBSIDIES. GIVE US CHEAP MATERIALS, AND WE WILL DO IT. Give us the ground on which we stand, so that we shall have our materials just as cheap as they can be afforded elsewhere, and then all these shipyards and all that skilled labor will be at work at once; and you will find that we shall restore the balance of the shipping interests on the ocean, that now stands against us."

Senator Sherman, May 4, 1872, said:

"SINCE WE CANNOT BUILD THESE VESSELS WITHIN 20 OR 30 PER CENT. OF THE COST IN ENGLAND, WHY NOT ADMIT THEM FREE? WHY NOT ADMIT THEM DUTY FREE, RAISE THE AMERICAN FLAG UPON THEM, PUT AMERICAN OFFICERS UPON THEIR DECKS, AND HAVE AMERICAN LINES INSTEAD OF BRITISH LINES? Why, sir, if that bill should pass, authorizing foreign ships when owned by American citizens, to be used for the present, for three years under the American flag, one-half of the lines between New York and England would be American lines in sixty days."

The present Speaker of the House, Mr. Cannon, February 28, 1879, denounced ship subsidies.

He then said:

"Now, what is this proposition? Oh, it is to give John Roach \$3,000,000 as a practical gratuity and to charge that as a tax on the cotton, and provisions, and tobacco, and wheat, and grain, and bread-stuffs, and oil that we produce. What for? To enable somebody to sell something that he has made, which it cost \$1.43 to make here, while it costs only a dollar to make it in Europe, and both manufacturers have to go to the same market, namely Brazil. WHY, GENTLEMEN, IF YOU HAD A BUSINESS AGENT WHO PROPOSED TO DO YOUR PRIVATE BUSINESS IN THAT WAY, YOU WOULD PUT HIM INTO A LUNATIC ASYLUM OR SWEAR THAT HE WAS A THIEF OR AN IDIOT AND DISCHARGE HIM.

"Commencing in the year 1847 down to the present time (1879) act after act has been passed for a similar purpose (postal subsidies). I hold in my hand the official statements of the Secretary of the Navy and the Postmaster-General, which show payments of subsidies to the amount, in round numbers, of \$14,500,000 to steamship lines during the period from the year 1848 to 1858. I hold in my hand a statement that shows subsidies to the amount of \$7,000,000, in round numbers, since that time, making over \$21,000,000 that have been paid out of the Treasury for the purpose of establishing steamship lines—\$7,000,000 would buy all the steamships engaged in commerce that sail

under the American flag on every ocean in the world—and more than that; the subsidizing of these steamship lines, from the ‘Collins’ line in 1852 up to the present time, has bankrupted every prominent man that has favored it.”

UNITED STATES PREDOMINANT IN IRON AND STEEL MAKING.

President McKinley submitted January 29, 1901, to Congress an official “Review of the world’s commerce,” which at page 22 states:

“The most striking fact in our export development is the remarkable growth of the foreign demand for our iron and steel, our exports amounting to nearly \$130,000,000 in 1900 against \$32,000,000 in 1895. In an article in the *New York Evening Post* of January 12, 1901, Mr. Andrew Carnegie says the United States has not only supplied its own wants, ‘but is competing to supply the wants of the world, not only in steel, but in the thousand and one articles of which steel is the chief component part,’ and expresses the opinion that the increasing demand from the world at large ‘can be met only by the United States.’

“THE INFLUENCE OF OUR STEEL-MAKING CAPACITY, ADDS MR. CARNEGIE, ‘MUST BE MARVELOUS, FOR THE NATION WHICH MAKES THE CHEAPEST STEEL HAS THE OTHER NATIONS AT ITS FEET AS FAR AS MANUFACTURING IS CONCERNED IN MOST OF ITS BRANCHES. THE CHEAPEST STEEL MEANS THE CHEAPEST SHIPS, THE CHEAPEST MACHINERY, THE CHEAPEST THOUSAND AND ONE ARTICLES OF WHICH STEEL IS THE BASE.’” (Review of the World’s Commerce, 1900.)

CHEAPNESS OF AMERICAN GOODS.

“It is the relative cheapness of American steel that has given it pre-eminence, and it is the same with other products that are winning their way abroad. Economy of production is the master key that unlocks for us markets that seemed a little while ago to be inexorably closed. This economy of production implies not merely low prices to the foreign consumer, but a greater degree of excellence, a superior adaption to his wants. As he has been pointed out in the Reviews, as well as elsewhere, the American workingman, though receiving higher wages, produces, with labor saving machinery, at a lower unit of cost, and his greater application and ingenuity enable him to avail himself effectively of the most recent inventions and appliances for improving the quality of his special line of work. The American factory system is highly organized and more efficient than any other, and if our export trade were as well developed, there would be little to fear.” (Review of the World’s Commerce, 1900.)

With the “cheapest steel and iron” in the world, the ship trust still cries for “subsidy.” With thousands of men, widows and orphans begging Congress, as they have for years, for the payment of their claims against the Government, many of which are just, a deaf ear is turned to *them*, but not to the ship builders—backed by millions.

PROPOSED SHIP SUBSIDY LEGISLATION.

The favorite measure of the Roosevelt administration is the ship subsidy bill (S. 529). This bill passed the Senate February 4, 1906, 38 Republicans voting for it and 23 Democrats and 4 Republicans against it. (See yea-and-nay votes in the Senate elsewhere in this volume.) The word subsidy is not used in the title of the bill, because the Constitution does not authorize subsidies. But the bill is entitled "*A bill to promote the national defense, to create a force of naval volunteers, to establish American ocean mail lines to foreign markets to promote commerce, and to provide revenue from tonnage.*"

When this bill was under consideration in the Senate, the last clause of the title—"to provide a revenue from tonnage"—was stricken out, because the Senate has no right to originate bills for raising revenue. The clause "to establish American ocean mail lines to foreign markets," might also have been stricken out with equal propriety; for Congress has no power to do anything of that sort, any more than it has to establish post-offices in foreign countries to handle American merchandise. The same may also be said of the clause "to promote the national defense," for Congress has no power to do that by subsidizing private corporations in time of peace. Neither has it the power to create a force of naval volunteers in time of peace.

But the real purpose of the bill was not disclosed by its title. Its object was the "legalized robbery" of the masses for the benefit of a few persons engaged in the shipping business, especially the steamship trust, who had furnished money to Mr. Hanna and his associates in 1896 to help elect the Republican ticket. Indeed, Mr. Hanna is responsible for the whole scheme. It was originated under his leadership in the Fifty-sixth Congress. The Congressional Record for December 12, 1900, vol. 33, p. 789, shows how the matter was started in the House of Representatives. In relation to the Hanna-Payne bill of that year, the following extract from the Record is interesting:

"Mr. Richardson—I think, Mr. Speaker, the matter I present is one of privilege—one which affects the integrity of the proceedings of the House. I hold in my hand what purports to be a bill. It is in the form of a bill—that is, the first portion of it—and it is indorsed 'H. R. 64. A bill to promote the commerce and increase the foreign trade of the United States, and to provide auxiliary cruisers, transports, and seamen for Government use when necessary.'

"It purports to have been introduced on the 4th day of December, 1899, and to have been referred to the Committee on Merchant Marine and Fisheries, and ordered to be printed.

"The first few pages of this paper is in the form of a bill. The latter pages—four pages—are in different type, and an argument, a partisan argument, in support of the bill. After the conclusion of the bill there are four pages of partisan arguments and facts. It is made up in part of statements purporting to show the effect of the bill, which I controvert, and which every member, or almost every member, on this side of the House would controvert. But whether on this side or that side, Mr. Speaker, and whether true or false, those statements and arguments have no place in a bill. Now, I submit, Mr. Speaker, that the rules have been grossly violated. I submit that this paper

is not frankable by law, and any member of this House or of the other House who has sent out this paper is guilty of having violated the postal law. It is no part of the Congressional Record; it is not a bill; the words used, or printed, have never been spoken upon the floor, so far as I know, and the paper is not frankable by law.

"Mr. Cooper of Texas—Who is the mover of the bill?"

"Mr. Richardson—I submit, Mr. Speaker, that this bill should be taken from the files, and if the gentleman desires to introduce the bill, let it be introduced as all other bills are prepared, presented, and introduced in this House. I make the point of order, first, that the paper should be suppressed—it is not a bill—and, failing in that, I shall move to strike it from the files and have it destroyed.

"Mr. Burke of Texas—Who introduced the bill?"

"Mr. Richardson—The gentleman from New York, Mr. Payne."

The Speaker sustained the point of order, and the bill was reprinted and re-referred.

The same bill was introduced in the Senate by Mr. Frye under the same title (S. 727) and was debated and amended at the second session, but failed to pass.

In the Fifty-seventh Congress the bill was again introduced in both Houses, but failed; and the same thing happened in the Fifty-eighth Congress. But near the end of the Fifty-eighth Congress a bill was passed enacting the Merchant Marine Commission, composed of five Senators and five members of the House; four commissioners, two from each house, being Democrats. About the beginning of the Fifty-ninth Congress, a new bill, differing materially in its title, as well as in its provisions, was introduced. It passed the Senate, as shown, but failed in the House. This new bill was prepared by the majority members of the Merchant Marine Commission, and has the earnest endorsement of the administration, which has failed to prosecute the steel trust and its annex, the shipbuilding interests.

A fair idea of this subsidy proposition may be obtained from the speech of Mr. Spight, Democrat, of Mississippi (Congressional Record for June 27, page 9601). He is a member of the House Committee on Merchant Marine and Fisheries and the Merchant Marine Commission. Mr. Spight, in part, said:

"If no other good was accomplished by it, the Merchant Marine Commission of 1904 aided very materially in driving from cover the *gigantic steel trust, which was systematically robbing the American people for its own enrichment*. I remember with what horror the 'stand-patters' on the Commission heard witness after witness of the highest respectability and greatest opportunities tell how American steel was delivered in foreign yards at prices far below those charged American consumers by the same manufacturers for the same products. I well remember that when this statement was first made the distinguished chairman of the Commission, Senator Gallinger, of New Hampshire, said:

"I WANT TO SAY, WHAT I THINK I AM PRIVILEGED TO SAY AS CHAIRMAN OF THIS COMMISSION, THAT IF THE SITUATION IS AS HAS BEEN DESCRIBED IT IS A GREAT OUTRAGE."

"MR. WALLACE—WE HAVE THOUGHT SO FOR SOME TIME, AND WE HAVE THOUGHT THAT IN SOME WAY IT OUGHT TO BE REMEDIED."

"The same facts were stated by many other men of equally high character, notably by Mr. G. W. Dickey, superintendent of the Union Iron Works of San Francisco, the largest shipbuilding plant on the Pacific Coast. He told what he saw and knew, and neither Mr. Gary,

of the steel trust, nor anybody else has ever denied or questioned the accuracy of Mr. Dickey's statement. He told the Commission at San Francisco in August, 1904, that the steel mills in this country were favoring the foreigner. He said, amongst other things:

"‘IN 1900 I WAS GOING THROUGH A SHIPYARD IN DUNDEE, SCOTLAND, AND THEY WERE BUILDING A VESSEL ALMOST A DUPLICATE OF THE *CALIFORNIA*, THAT WE WERE BUILDING HERE AT THE SAME TIME, AND THEIR MATERIAL WAS BEING LANDED THERE FROM A VESSEL FROM NEW YORK, FURNISHED BY CARNEGIE & CO., WHO WERE FURNISHING THE MATERIAL FOR THE *CALIFORNIA*. THEY WERE PAYING £7 15s. 8d. PER TON. WE WERE PAYING £10 9s. 2d. IT WAS SUPPLIED BY THE SAME PEOPLE AND THE DISTANCE TRANSPORTED WAS ABOUT THE SAME.’"

"These prices when reduced to our currency made a difference of about \$13.80 against the American builder. It has been estimated by expert shipbuilders that a vessel of 8000 tons, which is now only medium in size, will require about 3500 tons of steel. At the rate of difference given by Mr. Dickie the American builder would pay to the steel trust nearly \$50,000 more for the material in his ship than the foreigner paid for his. It is a misnomer to call this a "profit," because the steel was sold at a profit to the foreigner. It is a robbery under the guise of law, and the men engaged in this nefarious business are among the most persistent advocates of subsidy legislation."

Further on, he said:

"I here offer an editorial clipping from a New York daily, *The Press*, of the 7th of May of this year:

"‘All records in the exports of iron and steel material through New York and other Atlantic seaboard points were eclipsed last month when close on to 80,000 tons were consigned to almost every part of the civilized world. The heaviest increase was made in the shipment of steel billets, upward of 35,000 tons having gone abroad during April, as compared with 24,000 tons exported during the previous month. THEY ARE SOLD HERE FOR EXPORT AT A PRICE AROUND \$18 AT THE MILLS, WHEREAS THE EXISTING QUOTATION FOR BILLETS FOR DOMESTIC CONSUMPTION IS \$27.’"

"It has been shown by recent testimony before the committee that the ocean freight on steel is about \$2 per ton, which would make it cost \$20 per ton delivered in foreign ports, against \$27 to domestic purchasers. This difference of \$7 per ton makes the comfortable sum of \$245,000 extorted from the American consumer by the steel trust in the month of April on the item of steel billets shipped abroad from Atlantic ports alone. At the same ratio for one year this would amount to \$2,740,000. This robbery of the American was going on at the very time when the witnesses of the steel trust were asking us to believe that the prices in Europe and America are the same and that steel is *not sold more cheaply for export than for home use*. Now, what reliance can we place on the evidence of such witnesses in any other statements they have made? There is an old Latin maxim familiar to every lawyer, '*Falsus in uno, falsus in omnibus*,' which fits this case."

"I haven't seen nor heard of any denial of this statement of the *Press* on the 8th of May, and received in reply the following state-large headlines, and is presumed to have been made with a full knowledge of the facts. But in order to verify it I wrote to the editor of the *Press* on the 8th of May, and received in reply the following statement, furnished by the gentleman who regularly supplies the paper with such information, and whose reliability is unquestioned. I can say that the price in England (Wales) yesterday for steel billets was \$22 a ton. As the freight between the mills here and Wales is around \$4 a ton, American billets must be sold at \$18 for export, as specified in the news story, in order to meet competition on the other side.

The selling of billets for export at the price of \$18, or around that figure, in order to meet the market conditions on the other side has been going on for a considerable time. Notwithstanding the contradictions of the steel trust officials, any man posted in the metal trades here knows the fact of the discrepancy between the export and domestic prices of billets, rails and, in fact, all iron and steel material.

"Mr. Hanscom, of the Eastern Shipbuilding Company, New London, Conn., who appeared before us to advocate this subsidy legislation, stated that two or three years ago he had information that steel was shipped from here and landed on the Clyde at \$19 or \$20 a ton, when it was being sold to domestic purchasers for \$32 to \$38 a ton.

"Notwithstanding this state of affairs, which Senator Gallinger denounced as an outrage, nothing has been done to remedy this evil, and every proposition to revise the tariff *schedules which makes possible this outrage upon the American people is met by the 'stand-patters'* with the stereotyped declaration that there is neither necessity nor demand for revision, and the robbery proceeds unchecked and unabashed. Gentlemen can not protect themselves by the comforting assurance that these facts are not established. They are proven by the testimony of a crowd of disinterested witnesses, and are denied by no one except the 'defendant.' Any jury of honest men in any court on such evidence would write a verdict of 'guilty' in two minutes. You say: 'When the tariff needs revising its friends will do it.' The time is approaching when it will be revised, not by the friends of the tariff, but by the friends of the long-suffering American people."

THE DR. JEKYLL AND MR. HYDE STAND OF THE "STAND-PATTERS."

On the 18th of April last the whole world was startled, shocked and horrified by the news that San Francisco, the Pearl of the Pacific, had been practically wiped off of the map by the combined forces of earthquake and fire. The dispatches confirmed the first hurried reports—it was only too true—the city was destroyed. Buildings lay in ruins, streets were effaced, thousands of homes in ashes, the public parks were the dwellings of the sufferers, the earth their bed, the heavens their roof.

Perhaps no call of charity was ever heeded more promptly than this. From Maine to Florida contributions were started; relief trains were hurried West; benefits were given; city after city appropriated money and supplies; in a word, the whole country came to the rescue of California. The first wants of food and clothes relieved, the citizens of the ruined city set to work with an indomitable courage to rebuild on far more beautiful lines their wrecked metropolis. Thousands of tons of iron, steel, cement, lumber, glass and other building material would be necessary and must be purchased somewhere. Naturally these people—poorer by millions of dollars—would seek the cheapest market, and experience had shown that all the needed materials could be purchased cheaper abroad than at home, PROVIDED THE DUTY ON IMPORTS WAS REMOVED.

This was not a matter of charity, simple contributions of money and clothes could not cover this question—it was a problem of national legislation. Congress, and Congress alone, had the power to remove the prohibitive duties which the Dingley tariff had laid upon these commodities. But would the watch-dogs of "protection" be charitable enough to allow this wall to be torn

down for the benefit of their suffering fellow-citizens? The Democrats in Congress, alive to the exigencies of the situation, voted money for their relief, and were the first to come to the rescue by introducing a bill giving drawback bounties on all structural material *imported* and "actually" used in rebuilding the homes of these sufferers for the space of three years. In other words, John Doe would buy 100,000 tons of steel in Sheffield, England, 30 per cent. cheaper than from Pittsburg, import and pay the duty on it at the port of San Francisco and, upon proof that he used this steel in bona-fide building, would receive back the amount of the duty paid.

But what was the fate of this most estimable and democratic measure? It, and all others like it, shared the luck invariably dealt out to any legislation which in the least interferes with the robber practices of the steel, lumber, cement and other trusts. A Republican House referred it and similar bills to the Ways and Means Committee, where it was lulled to sleep to the tune of "Stand Pat, Oh, Protectionists, Stand Pat."

But the most marvelous feature of this uncharitable proceeding was the fact that not a single member in the House of the California delegation—a solid Republican body—spoke a word, as the Record shows, favorable to this or any such measure, which was solely for their benefit and their constituents.

More than this, Mr. Kahn (Republican) on June 7, 1906, made quite an extended speech to show that such a measure would be "unconstitutional," closing with the following:

"The people of San Francisco want to commence rebuilding the magnificent City by the Golden Gate * * * THE DELEGATION FROM CALIFORNIA IN THIS HOUSE, LEARNING OF THE CONSTITUTIONAL OBJECTIONS THAT WERE BEING RAISED AGAINST A DRAWBACK BILL, CONCLUDED THAT IT WERE BEST TO NOTIFY OUR CITIZENS THAT SUCH LEGISLATION IS IMPOSSIBLE, and, Mr. Chairman, the failure of the passage of this bill WILL NOT DELAY the rehabilitation of San Francisco."

* * *

"UNCONSTITUTIONAL"—if so, the Constitution has been violated from the "fathers" to the present day, for did not Congress enact almost identical legislation for the relief of Chicago fire sufferers and those of other cities?

"IMPOSSIBLE"—since when has it become "impossible" for Congress to come to the rescue of suffering and needy United States citizens by *untaxing imports*. How can such a course be called "impossible" with the official records for a century showing that such has been done before.

"WILL NOT DELAY"—the rehabilitation of that city when letters have been received from reputable citizens of San Francisco stating "that there is now a combination being formed in the City of San Francisco for the purpose of putting up the prices 'to the serious detriment of property owners and home builders.'"

Moreover, the numerous authorities which Mr. Kahn quoted to show that such an act would be "unconstitutional" also held that Congress did not have the power to appropriate money outright for the relief of American citizens. Turning a deaf ear to this ruling, Mr. Kahn voted to appropriate millions for his constituents' aid and succor. INCONSISTENT, that is for the people to judge.

Such was the attitude of the House members of the California delegation when at Washington. Now see the change when confronted with the accusing fingers of their constituents at home.

On September 8 the Republican State Convention met in California and adopted the following resolution as a plank of their state platform:

"Resolved, That we favor the enactment by Congress of an amendment to the existing tariff law providing as a measure of relief in San Francisco. That for a period of three years all building material may be admitted into the port of San Francisco free of all duty."

What a lightning change! "Unconstitutional" no longer; neither is it "impossible" to enact such legislation; the "will-not-delay" rebuilding plea does not hold in California as in Washington. When driven on by the Protectionists' party whip, they dared not vote to thus "tinker with the tariff," but when bidding for votes at home and confronted with the terrible state of affairs caused by the trust "hold-up," they ceased to be "stand-patters" and fall in line with the Democrats in advocating relief from these outrageous "trust prices." The shoe is on another foot now, and the people of California do not like the footwear that the trust offers them. And so they declare, in no uncertain terms, for the very thing which the Democrats offered to give them months ago. Will they get it? It is extremely unlikely as long as trust-controlled Republican leaders stand guard over the Dingley tariff, which prevents them from building their homes, paving their streets, clothing their families, or even feeding themselves, except at prices laid down by the trusts.

FREE LIZARDS UNDER DINGLEY TARIFF, BUT NO FREE BUILDING MATERIAL FOR THE HOMELESS.

(T. D. 27549.)

DRIED LIZARDS.

Decision of the United States Circuit Court for the southern district of New York in *Wing On Wo v. United States*

(T. D. 27496) acquiesced in.

TREASURY DEPARTMENT, August 7, 1906.

SIR: The Department is in receipt of a report of the United States attorney for the southern district of New York in which he states that the case of *Wing On Wo v. United States* (suit 4154; T. D. 27496) was recently decided in the United States Circuit Court for that district adversely to the Government.

The merchandise in suit consisted of lizards dressed and dried while stretched on pieces of bamboo. Duties were assessed thereon at the rate of 10 per cent. ad valorem as an unenumerated unmanufactured article under section 6 of the act of July 24, 1897. The importer protested, claiming free entry under paragraph 548 of the same act, under the enumeration for drugs, such as dried insects, etc., which claim was sustained by the United States Circuit Court in this case on the evidence presented.

The Attorney-General advises the Department that no further proceedings will be directed in this case. You are therefore hereby authorized to forward the usual certified statement for a refund of the duties exacted in excess in settlement thereof.

Respectfully,

JAMES B. REYNOLDS,

Assistant Secretary.

(39369.)

COLLECTOR OF CUSTOMS, *New York.*

The people throughout the United States demanded, and the civilized world expected, that Congress would untax, as stated, imported structural material to aid these earthquake sufferers whenever they should rebuild in the United States.

The newspapers, with the fewest exceptions, appealed to Congress. A few are quoted:

Says a contemporary:

"To reconstruct San Francisco hundreds of thousands of tons of steel, millions of feet of lumber and many thousands of barrels of cement will be needed, to say nothing of glass and other building material. Steel, lumber, cement and glass are absolute necessities in vast quantities to rebuild shops, factories, warehouses and the tenements of rich and poor in San Francisco. It is a monstrous abuse of the taxing power to impose heavy duties on these articles, which can be produced as cheaply in this country as in any other at a profit to the producer. The whole nation groans and sweats under the burden. If there were no tariff the excessive cost of transportation would in any event bear hardly upon the distressed people of the Pacific Coast, but in the shadow of their great catastrophe the added tariff exactions—\$11.20 per ton on steel; \$2 per thousand on lumber; eight cents a hundred pounds on cement; anywhere from 40 to 60 per cent. on glass—take on a form of barbarous cruelty."

There is a general sentiment against subjecting San Francisco to the burdens of the tariff in rebuilding. Even that pattest of stand-patters, Dalzell, of Pennsylvania, is willing to lead a movement to free the city of these burdens. And the burdens that it is agreed bear so heavily on San Francisco, bear just as heavily on every man in the United States who builds or rents a home or who lives under a roof.—*Louisville Courier Journal*, May 1, 1906.

The *Courier Journal* was charitable to Mr. Dalzell. He was, and is, a Stand-Patter. He and the Republican party in Congress refused to enact any law giving these sufferers any relief from the oppressive Dingley tariff rates, while the money he and his party voted out of the Treasury was used to buy food and clothes. Not a cent could be applied to rebuild their homes in ashes and ruins.

Compare for a moment the Dingley tariff—a peace tariff—with what Mr. Blaine said about our Civil War tariff, and instantly reasons for tariff reform at once are apparent. Mr. Blaine said:

"Even in the second year of the Civil War, in which we were struggling for life rather than glory, we had come to realize every exaction ascribed to the British system. (Under the Internal Revenue Act of July 1, 1862) we were levying taxes upon *every* article which enters into the mouth, or covers the back, or is placed under the foot; taxes on everything which is pleasant to see, hear, feel, smell or taste; taxes upon warmth, light and locomotion; taxes upon everything on earth and the waters under the earth; taxes on everything that comes from abroad or is grown at home; on the sauce which pampers man's appetite, and on the drug that restores him to health; on the crime which decorates the judge and the rope which hangs the criminal; on the poor man's salt and the rich man's spice; on the brass nails of the coffin and the ribbons of the bride."

"The system of internal revenue, of which the foregoing is no exaggeration, proved in all respects effective. Congress rendered the taxes more palatable and less oppressive to the producers (manufacturers) by largely increasing the duties on imports by the tariff act of July 14, 1862, thus shutting out still more conclusively all competition from foreign fabrics.

"THE INCREASED COST WAS CHARGED TO THE CONSUMER."

PRICE OF STEEL RAILS "FIXED."

NO MORE. NO LESS.
THE POWER TO FIX AND UNFIX PRICES
ALSO "FIXED."
FIXED PRICE OF RAILS AT \$28.

New York, April 25.—E. H. Garry, chairman of the board of directors of the United States Steel Corporation, announced today that subsidiary companies of that corporation have fixed the price of steel rails for 1907 at \$28 a ton. That is the price now prevailing.

The Steel Trust has announced that, in spite of the great demand for rails, which would seem to justify an advance in price, the Trust will be moderate in its exactions and stick to the price of \$28. That is eight or ten dollars a ton more than the Trust is glad to accept from foreigners; it is more than twice as much as Charles Schwab has said it cost to make them, and it would be impossible for the Trust to get that price if it were not for the tariff. In view of the difficulty the "stand-patters" have in keeping the tariff discussion down, an increase in the price of steel rails might cause an explosion that would throw the lid and the men who are sitting on it into the air.—Philadelphia Record, April 27, 1906.

And our people pay the "fixed" price and are powerless under the present tariff to avoid this servitude.

THE STEEL TRUST EXPOSED.

EVIDENCE OF E. H. GARY SHOWN TO BE ENTIRELY
UNRELIABLE.

The Republican campaign book on page 126-7 endorses the evidence of E. H. Gary, chairman of the board of directors of the United States Steel Corporation, given before the House Committee on the Merchant Marine. This evidence on export prices was evidently cooked up for partisan purposes to show that the Steel Trust is not protected as highly as the German Steel manufacturers.

The following communication to the "Iron Age" entirely demolishes the Gary evidence with which the Republican Congressional Committee attempts to blind the eyes of Republican voters by putting false evidence in the hands of its speakers and newspapers:

(FROM THE "IRON AGE," SEPTEMBER 22.)

To the Editor: As is shown in the report of "The Iron Age" of April 19, 1906, Chairman E. H. Gary of the United States Steel Corporation has made partially erroneous statements before the House Committee on the Merchant Marine and Fisheries on April 11 bearing on home and export prices of the German steel industry and on the general industrial conditions in Germany. Mr. Gary has stated as a fact that the home prices of the makers of other steel producing countries are generally higher than the home prices of the manufacturers

in the United States. This is not correct so far as Germany is concerned; the German domestic prices are, on the contrary, considerably lower than the American.

For the month of March, 1906, the American prices were per gross ton:

Billets.....	\$27.00 to \$33.00
Rails.....	28.00
Bars.....	33.60 to 41.78
Sheets.....	44.80 to 58.24

Calculated in dollars, the domestic prices in Germany for the same month of March, 1906, were considerably lower, as follows:

Billets.....	\$22.98
Rails.....	27.09
Bars.....	\$28.82 to 29.50
Sheets.....	30.24 to 32.76

The statement was furthermore made with reference to Germany that its steel industry enjoys more extensive and better tariff protection than that of the United States. That, too, is not correct. The following comparison shows, on the contrary, that the American rates are all higher than the German rates:

RATES OF DUTY PER GROSS TON.

	United States.	Germany.
Steel ingots, blooms, billets and steel bars valued at 1 to 1½c. per lb...	\$6.72 to \$13.44	\$3.63
Steel rails.....	7.84	6.29
Iron bars, rounds, hoops and bands..	11.20 to 17.92	6.29
Plates and boiler plates.....	11.20 to 24.64	\$7.26 to 10.89

Mr. Gary's statement before the committee with reference to the spread in Germany between domestic and export prices for rails and shapes is also inaccurate. According to the chairman of the Steel Corporation, the relation between the domestic and foreign prices is \$30 to \$24 for rails, and \$33.60 to \$28 for beams. As a matter of fact, in March, 1906, the German domestic price for rails was \$27.09 and the export price \$25.40 to \$26.61; for shapes the German domestic price was \$26.61 and the export price was \$25.50.

A protest must also be entered against Mr. Gary's assertion that in Germany they do not pay more than one-half the American wages. Besides their outlays for private workmen's welfare work, the German manufacturers must bear as an addition to the wages public and social charges of about 100 to 150 marks per man, so that the German workman is protected against the dangers of old age, sickness, invaliding and accident, and thus has an important pecuniary advantage over the American workman. Quite irrespective of this, the German wages are higher than estimated by Mr. Gary. On the contrary, German wages in the iron and steel industry are at least two-thirds of the American wages. The fact must be considered, too, that the German manufacturers try to hold their men in bad times, while the American manufacturers dismiss their men when there is scarcity of work.

All that Mr. Gary states concerning the commercial policy of the German Government and the alleged payment of export bounties by it is entirely wrong. The German Government does not pay any export bounties to the iron industry. There can be no question whatever of an "artificial stimulation" of the industry by the State in Germany.

STAHLWERKS-VERBAND AKTIENGESSELLSCHAFT.

Dusseldorf, Germany, August 22, 1906.

RAISE PRICE OF TOOLS.

POWER TO FIX AND UNFIX PRICES.

TO MAKE TOOLS 5 PER CENT. HIGHER.

Atlantic City, N. J., May 3.—The National Machine Tool Builders' Association, in convention here, have decided on a 5 per cent. raise in the price of tools next year.—New York Times, May 4, 1906.

EXPORT PRICES CUT.

OBLIGED TO BUY STEEL ABROAD—OHIO ENGINEER, UNABLE TO SECURE MATERIAL HERE, GOES TO EUROPE FOR SUPPLIES—HE FINDS IT IN GERMANY—CHARTERS A BRITISH VESSEL AND EXPECTS THE TOTAL COST TO BE CHEAPER.

(Special Cable to the Herald.)

The Herald's European edition publishes the following from its correspondent:

LONDON, Wednesday.

THE SCARCITY OF STEEL IN THE UNITED STATES IN COMPARISON WITH THE DEMAND AND THE INABILITY OF STEEL CONCERNS TO FILL ORDERS FOR QUICK DELIVERY ARE DRIVING MORE STRUCTURAL STEEL BUYERS ABROAD.

MR. WARWICK, A CONTRACTING ENGINEER IN OHIO WHO WAS UNABLE TO GET AN ORDER FOR STRUCTURAL STEEL FILLED IN THE TIME REQUIRED BY HIS CONTRACT, WENT TO GERMANY AND PLACED AN ORDER THERE FOR \$40,000 TO \$50,000 WORTH OF MATERIAL. THEN HE CAME TO LONDON AND CHARTERED A VESSEL TO TAKE IT TO AMERICA.

HE EXPECTS TO HAVE HIS STEEL DELIVERED IN OHIO CHEAPER THAN IT WOULD HAVE COST HIM IN THE UNITED STATES.

AMERICANS TO INSTALL RUSSIAN TELEPHONES.

ST. PETERSBURG, November 16, 1902.

An American tender to install underground telephones in the city for 315,000 rubles has been accepted by the authorities. The tender was on lower terms and easier conditions of payment than the offers of other bidders for the work.

Mr. Henry W. Lamb, a prominent sheet-metal manufacturer of Boston, testified before the Industrial Commission as follows:

"The tariff trusts sell all their goods abroad cheaper than they do here, and this they are enabled to do by the protective tariff. If goods are imported into this country a duty must be paid, which enhances the price; the trusts are therefore able to a certain extent to extort from the consumers here more than they can secure if they sell abroad. They do desire to sell abroad, and they therefore sell abroad at a much lower price than to corresponding consumers in this country.

WHAT SENATOR DEPEW SAYS FIFTY MEN IN THE UNITED STATES CAN DO.

"Fifty men in these United States have it in their power, by reason of the wealth which they control, to come together within twenty-four hours and arrive at an understanding by which every wheel of trade and commerce may be stopped and every electric key struck dumb. Those fifty men can paralyze the whole country, for they can control the circulation of the currency and create a panic whenever they will."—*Pilot*, Oct., 1895.

Mr. Depew is a leading Republican who has always stood for laws that make this condition entirely possible. Does it in 1906 take fifty men to "hold up" 85,000,000 of people?

JEFFERSON ON PROPERTY.

One hundred years ago, when Thomas Jefferson was in Paris watching the progress of the French Revolution, he came to the conclusion that it was a great evil to allow a few people in a country to hold or control the bulk of the property.

In a letter written at that time to his friend, the Rev. James Madison, Jefferson said:

"I am conscious that an equal division of property is impracticable, but the consequences of this enormous inequality produce great misery to the bulk of mankind. Legislators cannot invent too many devices for subdividing property, only taking care to let the subdivisions go hand in hand with the natural affections of the human mind. The descent of property of every kind, therefore, to all the children, or to all the brothers and sisters, or other relations, in equal degree, is a politic measure and a practicable one. Another means of silently lessening the inequality of property is to exempt all from taxation below a certain point, and to tax the higher portions or property in geometrical progression as they rise. Whenever there is in any country uncultivated lands and unemployed poor, it is clear that the laws of property have been so far extended as to violate natural right. The earth is given as a common stock for man to labor and live on. If for the encouragement of industry we allow it to be appropriated, we must take care that other employment be provided to those excluded from the appropriation. If we do not, the fundamental right to labor the earth returns to the unemployed. It is too soon yet in our country to say that every man who cannot find employment, but who can find uncultivated land, shall be at liberty to cultivate it, paying a moderate rent. But it is not too soon to provide by every possible means that as few as possible shall be without a little portion of land. The small landholders are the most precious part of a State."

It is to be feared that we are drifting away from these ideas of the father of American democracy. We have killed the income tax, and our whole tax system bears more heavily upon the poor than it does upon the rich.

We have adopted Jefferson's ideas as to the descent of property, but we allow great corporations and alien landlords to hold more than their fair share of the lands of the country. Everything possible should be done to make it easy for a poor man to get a home or a farm. Home owners make good citizens and good citizens constitute a State.—*Atlanta Constitution*, Aug. 1, 1895.

BRYAN ON ROOSEVELT'S ADMINISTRATION.

St. Louis, Mo., Sept. 12, 1906.—A tremendous ovation was tendered William J. Bryan by the 12,000 people gathered in the Coliseum last night when he stepped upon the platform and took his seat. The ovation continued four minutes and was finally silenced by National Democratic Committeeman William A. Rothwell, who cut short his speech of introduction and presented Mr. Bryan with a wave of his hand.

Mr. Bryan said in part:

"You have cheered enough to cheer my heart, and I am glad to be here. I have been trying to find home for more than a week and I have found it so homelike everywhere that I can hardly tell where I live.

ROOSEVELT APPROPRIATES DEMOCRATIC POLICIES.

"Now, I want to show you it is better to trust the Democratic principles to the Democratic party than to trust them to one man whose party denounces him for following them. I want to remind you that the most popular act of Mr. Roosevelt's administration was his bringing peace between two nations. He settled the coal strike after a loss of \$99,000,000 to employers, employees and the public. It was a grand act. I applaud him for it. But where did he get his doctrine—in the Republican platform? No. He got it from the Democratic platform and I wrote the plank myself. If he could gain popularity by settling one strike that cost \$99,000,000, why ought not our party have some credit for proposing a plan which if put into a law, would have made the strike unnecessary? Why hasn't the Republican party followed it up by making a national law that will make it unnecessary for a man to starve his wife and children in order to get justice? If the President can become the only popular man in the Republican party because he does something spasmodically along Democratic lines, what would be the popularity of the man who does something and has always been a Democrat?

"Where did Mr. Roosevelt find his mandate for his action regarding the rate bill? He had to go to the Democratic platform. The most important part of the Elkins bill is the penitentiary sentence for its violation.

"The railroads have been the most corrupting influence in politics in the past twenty years. By the use of passes they have packed conventions. This law was suggested by the Democratic party. I shall soon have occasion to talk on railroads again, but tonight I want to impress it upon you that the railroad question solution was the product of the Democratic party.

"The President has now been in office almost five years. How many trust magnates are in the penitentiary? We have a great many trusts in this country violating the law. My friends, I ask you to figure out on the basis of the number of trust magnates imprisoned during the past five years, how many generations will it take to solve the trust question?"

HISTORY COMMERCE ACT, 1887.

Beginning in the 44th Congress (1876) down to 1887, when the Commerce Act became the law, the Democrats in Congress, led by that great lawyer and statesman, Judge Reagan, fought for railroad legislation.

Two or three Democratic Houses passed the Reagan bills, and sent them to a Republican Senate, which killed them. Finally, the encroachments by the railroads became so great that the people throughout the country demanded proper legislation, and at once.

As shown by the printed resolution in the Congressional Record (Mr. Reagan's Speech), the Grangers in the State of Illinois met and in convention *condemned* Senator Cullom, Chairman of the Commerce Committee of the Senate, *for defeating the Reagan bills*, with the result that the Cullom bill was reported, passed the Senate, came to the House, was, properly, referred to the House Committee, and the House substituted, for the Cullom Bill, the Reagan or House bill. Later conferees were appointed, but Congress adjourned without an agreement being reached. At the succeeding session an agreement *was* reached and the Cullom-Reagan or Substitute bill, composed of features of both bills, passed both Houses, and became the Commerce Act of 1887, which Mr. Cleveland approved February 4, 1887.

When the Conference report was called up on January 14, 1887, in the Senate, Mr. Hale moved to recommit the bill, but this was defeated by the following vote: nays, 36; yeas, 25.

The vote was:

Ayes—25.			
Aldrich,	Frye,	Mitchell,	Platt,
Blair,	Gray, ~	of Oregon,	Sawyer,
Brown,	Hale,	Mitchell,	Sewell,
Cameron,	Hampton,	of Pennsylvania.	Sherman,
Chance,	Hawley,	Morgan,	Spooner,
Cheney,	Hoar,	Morrill,	Williams.
Evarts,	Mahone,	Payne,	
Nays—36.			
Allison,	Cullom,	Jones,	Sanesbury,
Beck,	Dolph,	of Arkansas,	Teller,
Berry,	Edmunds,	Jones,	Vance,
Blackburn,	Eustis,	of Missouri,	Vest,
Bowen,	Fair,	McMillin,	Walthall,
Call,	George,	Manderson,	Whitthorne,
Cockrell,	Gibson,	Palmer,	Willson,
Coke,	Gorman,	Plumb,	of Iowa,
Colquitt,	Harris,	Pugh,	Wilson,
Conger,	Ingalls,	Sabin,	of Maryland.

This Cullom-Reagan bill passed the Senate by the following vote: yeas, 43; nays, 15.

The nay vote was:

Aldrich,	Chance,	Hoar,	Payne,
Blair,	Cheney,	Mitchell,	Platt,
Brown,	Evarts,	of Pennsylvania.	Williams.
Cameron,	Hampton,	Morrill,	

—Congressional Record, 49th Congress, 2nd Session, Vol. 18, Part 1, P. 859.

CONFERENCE REPORT ON COMMERCE ACT, 1887.

The Commerce Act of 1887 was a compound measure made up from the Cullom and Reagan bills. The conferees of the Senate, Messrs. Cullom, Isham G. Harris (Dem.), and Mr. Platt (Rep), of Connecticut, dissenting, made a report to the Senate. In doing so, Mr. Cullom said:

INTERSTATE COMMERCE ACT, 1887.

Mr. President, during the last days of the last session of Congress a conference was appointed by the two House upon the bill (S. 1532) to regulate commerce. The conferees on the part of the Senate have instructed me to make a report, which I send to the desk.

The President pro tempore. The conference report will be read.

The Chief Clerk read as follows:

"The committee of conference on the disagreeing votes of the two Houses on the amendment of the House of Representatives to the bill (S. 1532) to regulate commerce having met, after full and free conference, have agreed to recommend, and do recommend to their respective Houses as follows:"

Mr. Cullom. The conferees report an amendment to the Senate bill in the nature of a *substitute*.

P. 171. The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House of Representatives to the bill (S. 1532) to regulate commerce, having met, after full and free conference have agreed to recommend, and do recommend, to their respective Houses as follows:

That the house recede from its amendment and agree to the bill of the Senate, *with the following amendment thereto*, in the nature of a *substitute*, and that the Senate agree to the same:

AMENDMENT.

Strike out all after the enacting clause and insert the following:

—Congressional Record, 49th Congress, 2nd Session, Vol. 18, Part 1, P. 169.

Then followed the bill as it passed both houses and became law—the Commerce Act of 1887.

STATEMENT OF CONFEREES ON THE PART OF THE HOUSE.

(Required by Rule XXIX.)

The House conferees on the disagreeing votes between the two Houses on the bill of the Senate "to regulate commerce," and the bill of the House to "regulate commerce among the States, and prevent unjust discrimination by common carriers," make the following detail statement of the changes between the House bill and the substitute herewith appended.

The action of the House being to adopt a single amendment, your committee, without attempting to call attention to the precise changes made in each section of the bill, report to the House the substance and effect of the changes made as follows:

The bill of the House applied only to the transportation of freight, and the bill as adopted embraces the transportation of passengers as well as freight.

The bill of the House was limited to the regulation of such transportation on railroads. The bill as reported provides for the regulation of the transportation of property partly by railroad and partly by water, when both are used under common control, management, or arrangement for a continuous carriage or shipment from one State or Territory of the United States, or the District of Columbia, to any other State or Territory of the United States, or the District of Columbia.

The bill which we report defines the term "railroad," as used in it, to include all bridges, ferries, used or operated with any railroad, which is in addition to the provisions of the House bill.

The second section of the substitute bill adopts substantially the provision of the House bill against discrimination by special rates, rebates, drawbacks, and other devices, and declares that any one making such discrimination shall be guilty of unjust discrimination, which is hereby prohibited and declared unlawful.

The third section of the substitute embraces substantially the provisions of the bill of the House, in requiring equal facilities and advantages for all shippers, without exception, and has a provision requiring equal facilities for the interchange of traffic with all other railroads for the carriage of property and passengers, and forbids any discrimination by one railroad in the facilities furnished against any other railroad. It contains a clause declaring that this act shall not be construed as requiring such common carrier to give the use of its tracks or terminal facilities to any common carrier engaged in like business.

The fourth section adopts substantially the provisions of the House bill on the long and short haul, with the following proviso: That upon application to the commission appointed under the provisions of this act such common carrier may, in special cases, after investigation by the commission, be authorized to charge less for a longer than for a shorter distance for the transportation of passengers and property, and that the commission may, from time to time, prescribe the extent to which such common carrier may be relieved from the operation of this section.

The fifth section of the substitute bill is a copy of the clause in the House bill prohibiting pooling, with an amendment striking out the words of the House bill "by dividing," and inserting in lieu thereof the words "or to divide," and with the addition of the words in line 3, after the word "combination" "with any other common carrier or carriers."

The sixth section is a substitute for the provisions of the House and Senate bills in relation to the publication of schedules showing the rates, fares, and charges for the transportation of passengers and property. Instead of requiring the rates to be posted up, as was provided in the House bill, it requires that, after ninety days from the passage of the act, every common carrier subject to its provisions shall have printed, and keep for public inspection, schedules showing such rates, fares, and charges, and, in addition to requiring the railroads to give publicity at all of the depots on their several lines it gives authority to the commission, where it is proper and necessary to require them to give publicity to their rates to other places beyond the lines of their several railroads.

It also provides that the rates, fares, and charges shall not be raised except after ten days of public notice, but that they may be reduced without previous public notice; the notice, however, shall be simultaneous with the reduction itself, and it requires that all common carriers subject to the provisions of this act shall file with the commission provided for in the bill copies of the schedules which have been established, and shall promptly notify said commission of all changes made in the same; and that they shall file with the commission copies of all contracts, arrangements, or agreements with other common carriers in relation to traffic affected by the provisions of this bill; and in cases where passengers and freights pass over continuous lines or routes operated by more than one common carrier, and the several common carriers operating such lines of routes

establish joint tariff of rates or fares or charges for such continuous lines or routes, copies of such joint tariffs shall also be filed with the commission, and made public, if so directed by the commission.

The section also provides that where common carriers subject to its provisions shall neglect or refuse to file or publish its schedules of tariffs or rates and fares, or any part of the same, such common carrier shall, in addition to the penalties herein prescribed, be subject to a writ of mandamus, to be issued by any circuit court of the United States, in any judicial district wherein the principal office of the common carrier is situated, or wherein such offense may be committed, requiring a compliance with the provisions of the act.

The seventh section of the substitute bill contains substantially the provisions of the first part of the second section of the House bill in relation to the continuous carriage of property and persons from the place of shipment to the place of destination.

The eighth section of the substitute bill contains the substance of the seventh section of the House bill in regard to damages and counsel's fees, but expressed in somewhat different language.

The ninth section of the substitute bill is a new section, which provides that persons claiming to have been damaged by the action of common carriers may proceed for recovery of their damages either in the courts of the United States or before the commission herein provided for, as they may elect, but not before both tribunals. This section, which gives jurisdiction to courts of the United States, does not give jurisdiction in civil suits to the State courts, as was provided for in the House bill.

This section of the substitute bill also provides that the courts shall have power to compel any director, officer, receiver, trustee, or agent of the corporation or company defendant in such suit to attend, appear, and testify in such case, and may compel the production of the books and papers of such corporation or company party to any such suit; and it provides further that the claim that any such testimony or evidence may tend to criminate the person giving such evidence shall not excuse such witness from testifying; but that such evidence or testimony shall not be used against such person on the trial of any criminal proceeding.

The tenth section of the substitute bill makes it a penal offense to violate any of the provisions of this act, and is substantially the eighth section of the House bill, except that it puts the maximum of the fine which may be imposed at the sum of \$5,000 instead of \$2,000, as was provided for by the House bill.

The eleventh and subsequent sections to the twenty-first, inclusive, of the substitute bill contain the substance of the Senate's bill providing for a commission, except as modified by the provisions of the substitute bill herein cited.

It provides for a commission to consist of five persons whose term of office shall be for six years, except for the first appointments, which are to be for two, three, four, five, and six years. The members of this commission are to be appointed by the President by and with the advice of the Senate. Their principal office shall be in Washington, but they may hold sessions at other places than Washington, and a single member of the commission may take testimony anywhere, as may be directed by the commission.

These commissioners have salaries of \$7,500 each. The commission has the power to appoint a secretary, with an annual salary of \$3,500, and has authority to employ and fix the compensation of such other employes as it may find necessary to the proper performance of its duties, subject to the approval of the Secretary of the Interior.

The nineteenth section of the Senate's bill, providing for a reference of the question of pooling to the commission, is not embraced in this substitute.

Section 22 of the substitute bill, among other things, provides that nothing in this act contained shall in any way abridge or alter the remedies now existing at common law or by statute, but that the provisions of this act are in addition to such remedies, with a proviso that no pending litigation shall in any way be affected by this act.

Section 24 of the substitute bill provides that the act shall go into effect sixty days after its passage, as in the opinion of your committee it was deemed best to give the railroads sufficient time to prepare their schedules and to modify their management in accordance with the provisions of this bill. The appointment of the commission, however, is to be made at once, as it has to be organized, and as said schedules of rates and charges have to be filed with said commission.

J. H. REAGAN,
CHARLES F. CRISP,
A. J. WEAVER,

Managers on the part of the House.

President Cleveland approved the bill and it became the law.

SUPREME COURT DECISIONS.

March 30, 1896. For the first time the Supreme Court of the United States decided that Congress had not clothed the Interstate Commission with power to unfix and fix rates, although that body had since 1887, when the law was approved by Mr. Cleveland, exercised the right to set aside and fix rates in proper proceedings. In exactly three months and eight days after this decision, the Democratic party (July 8, 1896) nominated Wm. J. Bryan for President, and on this question declared: -

DEMOCRATS FIRST AGAIN.

"The absorption of wealth by the few, the consolidation of our railroad systems, and formation of trusts and pools require stricter control by the Federal Government of those arteries of commerce. We demand the enlargement of the powers of the Interstate Commission, and such restrictions and guarantees in the control of railroads as will protect the people from robbery and oppression."

The Republican platform of 1896 was silent on this subject.

Since then and previous thereto, the Democratic party has continuously demanded railroad legislation.

HISTORY RAILROAD LAW, 1906.

The present Congress enacted a railroad law, amending the Act of 1887. It would have been law, had the Republicans been so disposed, years ago.

So controlled by the railroads were many of the Republican Senators, that this bill could *not* have passed this (59th) Congress *without* the unanimous action of the Democrats, and the President's "big stick," which drove and kept enough Republican Senators in line, to pass it. At a very acute stage of the contest the President found it necessary to request a conference with leading Democratic Senators. They gladly conferred with him and the press made great note of this unusual act. His position at that time was that which for years the Democrats had occupied, but he was forced by the opposition in his own party to give ground, and to break faith with his Democratic conferees by consenting to the "broad court review."

In this way, the present law—the very best that the people could get from a Republican Congress—was passed. Nothing

was left undone by the Democrats in either House that could possibly and honorably force an unwilling Republican Senate to act.

If the Republican Senate had done half its duty, there would have been a railroad bill passed into law long before 1887.

The Republican party has been in complete control of the Government since March 4, 1897, and is specially chargeable with the failure to amend, broaden and strengthen the Act of 1887. There had been two decisions of the Supreme Court (March 30, 1896, and March 24, 1897) holding that the Commission had *not* been given the power by Congress to fix and unfix rates. Other decisions during and since this time by the same court had nullified some of the most valuable powers theretofore exercised by the Commission under the Act of 1887, yet the Republican party during all this time have failed and refused to enact legislation covering the rate question, and other evils annually pointed out by the Commission, and by Democrats in each Congress.

The Townsend-Esch bill was reported last Congress. It passed the House. It was a Republican measure. While notoriously incomplete and insufficient, it had some merit. It went to a Republican Senate, and as usual, died.

The Democrats in the House tried to amend this bill to make it a better law, but without avail. They then voted for it, as the best that could be passed in a Republican House, and insufficient as it was, it was too much for a Republican Senate to pass.

That Senate had killed the Littlefield anti-trust bill a few years before. It had killed the Townsend-Esch bill, and the Democrats were determined, if possible, to force the Senate to pass at least the Hepburn bill, or fight the question out, if it took all summer. The result was the old Act of 1887 was amended by the recent law, which is now in effect.

Even the Hepburn bill does not afford anything like a full or adequate measure of relief. Practically, all amendments designed to *perfect* it were voted down in the House, and the Republicans in the Senate not only sought to destroy it with the so-called "broad court review" but defeated every effort on the part of the Democrats, and those few Republicans who really desired effective legislation, to strengthen or complete it. Urgent recommendations of the Commission were ignored, and from the subjoined statement of the vital matters excluded from the bill, will be seen how serious have been the omissions of the Republican Congress in the matter of rate legislation, and how much more effective the law could and should have been made. For its defects and omissions, the Republicans in the House and Senate are alone responsible. For its perfection the people must look to the Democratic party.

RECOMMENDATIONS OF THE COMMISSION FOR LEGISLATION NOT PROVIDED FOR IN THE AMENDED LAW.

The Commission in 1903 recommended Congress to authorize that a valuation of railway property be made; but the new law makes no provision authorizing the Commission to ascertain the

value of railroad property. This is most essential and its omission may, and probably will, lead to an assault on the law.

The amended law does not confer upon the Commission the broad powers to revise rates upon *its own motion* in proper proceedings, or to fix absolute rates under any circumstances whatever, though the Commission informed Congress that those powers are positively essential. Previous to the Maximum Rate Case the Commission, with Judge Cooley as Chairman, exercised this power.

Maintaining the relation of rates to competing localities is fully as important as the making of reasonable rates in themselves, and the Commission has often requested Congress for such power; but the new law makes no specific provision granting such authority to the Commission.

Changing the classification of an article of freight usually changes the rates under which the traffic is transported. Sweeping changes in *rates* are *often* effected by a change in classification. Though the Commission has repeatedly recommended that it should be empowered to prescribe a reasonable classification, the amended law makes no provision conferring such authority upon the Commission.

The long and short haul section of the old law was made practically inoperative by court interpretation, owing to the broad construction given the phrase "under similar circumstances and conditions." The Commission has called attention to this defect in the law and has recommended that it be given the power to determine what conditions are dissimilar; but the amended law ignored those recommendations and the necessity of their enactment into law.

Under the old law the railway companies *withheld important* testimony upon the hearings before the Commission which they *subsequently* offered on the trial before the court. *In this manner they succeeded in reversing* the Commission and in *delaying* the administration of justice, although the Supreme Court vigorously condemned the practice. This very serious defect remains in the new law.

The Commission has for many years urged legislation to reduce the long and increasing roll of slaughter of employees and passengers by the enactment of a law compelling carriers to adopt the block system, but the amended law has failed to include such a provision.

EXTRAVAGANT APPROPRIATIONS.

FIFTY-NINTH CONGRESS.

The official statement of the volume of appropriations made by the first session of the Fifty-ninth Congress, prepared by Thomas P. Cleaver and James C. Courts, chief clerks of the Senate and House appropriation committees, shows that the grand total is \$879,589,186.16.

The details by bills are as follows:

Agriculture	\$9,930,440.00
Army	71,817,165.08
Diplomatic and consular.....	3,091,094.17
District of Columbia.....	10,138,672.16
Fortification	5,053,993.00
Indian	9,260,599.98
Legislative, executive and judicial.....	29,681,919.30
Military Academy.....	1,664,707.67
Naval	102,091,670.27
Pension	140,245,500.00
Post-office	191,695,998.75
Sundry civil.....	98,538,770.32
Deficiency appropriations.....	39,129,035.45
Miscellaneous appropriations.....	27,173,299.01
Permanent appropriations.....	140,076,320.00

Grand total..... \$879,589,185.16

There was no river and harbor appropriation at this session. If the same amount for rivers and harbors which was appropriated in 1898 had been appropriated the total would have reached \$900,421,598.07.

And though there were no appropriations for rivers and harbors this year, yet the total appropriations exceed those of 1898 by \$350,854,105.86.

The total of appropriations for 1898 was \$528,735,105.86. The details by bills for that year were as follows:

Agricultural	\$3,182,902.00
Army	23,129,344.30
Diplomatic and consular.....	1,695,308.76
District of Columbia.....	6,186,991.06
Fortifications	9,517,141.00
Indian	7,674,120.89
Legislative, etc.....	21,690,766.90
Military Academy.....	479,572.83
Navy	33,003,234.19
Pensions (including deficiencies therefor).....	141,263,880.00
Post-office	95,665,338.75
River and harbor (including amounts in sundry civil, deficiency, and special acts).....	20,832,412.91
Sundry civil (exclusive of amounts for rivers and harbors)	34,490,370.47
Deficiencies (exclusive of amounts for pensions and rivers and harbors).....	9,096,417.34

Total	\$407,907,801.40
Miscellaneous	749,057.90

Total regular annual appropriations.....	\$408,656,859.30
Permanent annual appropriations (estimates).....	120,078,220.00

Grand total..... \$528,735,079.30

—Cong. Record, p. 10,124.

The most striking increases are those providing for the army, navy, sundry civil, and deficiencies.

	1898.	1907.
Army	\$23,129,344.30	\$71,817,165.08
Navy.....	33,003,234.19	102,091,670.27
Deficiencies	9,096,417.34	39,129,035.45
Sundry civil.....	34,490,370.47	98,538,770.32

The combined appropriations for the army and navy for 1898 were \$56,132,578.49. The combined appropriations for the army and navy for 1907 are \$173,908,835.35. This shows an increase of \$117,776,257.86 in these two items alone. The expense of the army and navy is therefore more than three times as great now as it was in 1898.

In discussing these extravagant appropriations, Mr. Livingston, the ranking Democrat on the House Appropriations Committee, said in a statement published in the Congressional Record of July 3, 1906:

"This growth in appropriations sustains the contention that the Republican party stands for extravagance in public expenditures, in order to use that extravagance as a cloak for their more objectionable purpose of maintaining a high protective tariff to favor the trust combinations of manufacturers of the country.

"A reduction of expenditures, they well know, would compel a commensurate reduction in taxation, and to that extent a lowering of the Chinese wall of protection that now surrounds the great body of consumers, who constitute the larger portion of our population, and compel tribute from them to the favored classes.

"Much of this extravagance grows out of the practice prevailing with the present Administration of appointing commissions to do what Congress ought to do, and what Congressmen are elected for and paid for; thus delegating the powers constitutionally belonging to Congress to others who have no particular relations with, or responsibilities to, the public, and do not render an accounting to the taxpayers of this country."

DEFICIENCIES—HOW MADE.

HOW THEY HAVE GROWN IN VIOLATION OF LAW LONG
SINCE ENACTED.

Section 3679 of the Revised Statutes of the United States provides:

“That no Department of the Government shall expend, in any one year, any sum in excess of appropriations made by Congress for that fiscal year, or involve the Government in any contract for the future payment of money in excess of such appropriations.”

And the Constitution provides that “no money shall be drawn from the Treasury, but in *pursuance* of appropriations made by law;” that is, by act of Congress, since Congress alone has power to lay taxes or appropriate the proceeds thereof.

If these laws were obeyed by the Executive Departments there would never be a deficiency at the close of any fiscal year. But for many years they have been systematically violated, and Congress has winked at the violation by ratifying the payments made in excess of appropriations, and making new appropriations to cover the excess of expenditures over appropriations.

Starting with the year 1898, these deficiency appropriations have been made by Congress as follows:

1898.....	\$8,594,447
1899.....	347,165,001
1900.....	46,882,724
1901.....	13,167,008
1902.....	13,289,314
1903.....	24,944,124
1904.....	19,651,968
1905.....	25,083,375
1906.....	38,095,378
Total.....	<u>\$537,873,357</u>

These vast sums aggregating more than half a billion dollars were not drawn from the Treasury “in pursuance of appropriations made by law,” as the Constitution requires, but were spent under the Executive Department before appropriations to meet the expenditures had been made. The effect is that the purse strings are practically taken from Congress and seized by the Executive in violation of the fundamental principle of our Government that the people’s representatives in the Lower House of Congress, and no other functionary whatever, shall control the purse of the nation. The officers who are responsible for these expenditures in *excess* of appropriations *already* have disobeyed the law and should have been, but were not punished.

PRODUCTIVITY OF AMERICAN AND FOREIGN LABOR.

The Review of the World's Commerce during the year 1901 submitted to Congress by President McKinley and Secretary Hay, January, 1901, states that "the London Spectator of December 29, 1900, quotes 'a competent writer' in a British trade paper as saying:

"From a careful calculation, made after comparing notes with other observers, and taking the figure 1 to $1\frac{1}{4}$ as representing the producing capacity of the ordinary British workman, I consider the Swiss-German as finely represented by $1\frac{3}{4}$ and the Yankee by $2\frac{1}{4}$."

William M. Evarts, Secretary of State, in his report on the "State of Labor in Europe," 1879, said:

"The average American workman performs from one to one and one-half to twice as much work in a given time as the average European worker. This is so important a point in connection with our ability to compete with the cheap labor manufacturer of Europe, that it seems at first thought so strange, that I will trouble you with somewhat lengthy quotation from the reports in support thereof:

"France—The hours of labor are from eleven to twelve, but an average American workman will accomplish as much in nine hours. (Report, Consul Bordeaux.)

"Germany—I am satisfied that an ordinary workman in the United States will do as much again as will one in this district in the same time. (Report, Chemnitz, Saxony.)

"An active American workman will do as much work in a given time, at any employment, as two or three German workman. (Report, Consul Leipsic.)

"There can be no question that, speaking in general terms, the quality as well as the quantity, of the work of the German artisan is inferior to that produced by the American. The workman here is inclined to be sluggish, and what he accomplishes is relatively small. (Report, Consul Sonneberg.)

CONCLUSION.

"One workman in the United States, as will be seen from the foregoing extracts, does as much work as two workmen in most of the countries of Europe.

"Within the last fifteen years, we have demonstrated our ability, by the brilliant development of our resources, to exclude, by honest competition, foreign manufactures to a large extent from our shores."

Mr. Blaine, Secretary of State, June 25, 1881, reported on our cotton goods trade of the world, said:

"Undoubtedly the inequalities in the wages of English and American operatives are more than equalized by the greater efficiency of the latter and their longer hours of labor."

He gave several examples as follows:

"The wages of spinners and weavers in Lancashire and in Massachusetts, according to the foregoing statements, were as follows per week: Spinners, English, \$7.20 to \$8.40 (master spinners running as high as \$12.00); American, \$7.07 to \$10.30.

Weavers, English, \$3.84 to \$8.64, subject, at the date on which these rates were given, to a reduction of 10 per cent.; American, \$4.82 to \$8.73.

The average wages of employees in the Massachusetts mills are as follows, according to the official returns: Men, \$8.30; women, \$5.62; male children, \$3.11; female children, \$3.08. According to Consul Shaw's report, the average wages of the men employed in the Lancashire mills on the 1st of January, 1880, was about \$8.00 per week, subject to a reduction of 10 per cent.; women from \$3.40 to \$4.30, subject to a reduction of 10 per cent."

The statistician, State Department, Mr. C. S. Hill, to the Tariff Commission stated that our manufacturing in 1882 was \$8,000,000,000 made by 5,250,000 hands, and that for the same time the product of England was \$4,000,000,000 made by 5,140,200 hands, and then said:

"Here is the positive proof that American mechanics in the aggregate accomplish exactly double the result of the same number of British mechanics. They are, therefore, very justly paid double in wages."

On April 24, 1894, Senator Mills, of Texas, delivered a speech in the Senate, in part, as follows:

Mr. President, we have the cheapest labor on the globe. We have the poorest paid labor in proportion to the work our laborers do that is to be found on earth. Why so? Because we work by machinery, and one laborer in this country produces in some cases five, ten, and even over ten times more than is performed by the man who is doing the same work in other countries. Great Britain approaches more closely to us than any other country, but she is behind us. We can produce the things we are producing cheaper than anybody else on earth.

I have a statement here to which I want to call the attention of the Senate, the country and especially of the wageworkers. Mulhall's Dictionary of Statistics gives the number of persons employed in manufactures in all the different countries in the world that are manufacturing to any considerable extent, the total value of the product made in each country and the number of persons employed.

By dividing the number of hands by the value of the product we get precisely the amount of value turned out by each hand.

This statement shows that for 1888 the United Kingdom had 5,189,000 persons employed in manufacture; that they turned out a product worth \$4,100,000,000 and the product per hand was \$790. France had 4,443,000 persons employed. They turned out a product valued at \$2,425,000,000, or \$545 per hand. Germany had 5,350,000 persons employed. They turned out a product valued at \$2,915,000,000 or \$545 per head. Russia had 4,700,000 employed. She turned out a product valued at \$1,815,000,000, or \$381 per head. I will print this table and will not go over it all. The United States had 3,837,000 persons employed, who turned out a product valued at \$7,215,000,000, or \$1880 per head.

DEPARTMENT OF LABOR,

WASHINGTON, February 6, 1894.

MY DEAR SIR—In response to yours of January 18th and January 26th, I have the honor to state that from the various sources which I have been able to consult I estimate the average annual earnings in all manufacturing industries in the countries named by you to be as follows:

1, United States, \$347; 2, Great Britain, \$204; 3, France, \$175; 4, Belgium, \$165; 5, Germany, \$155; 6, Austria, \$150; 7, Switzerland, \$150; 8, Italy, \$130; 9, Spain, \$120; 10, Russia, \$120.

The above estimates have been made, so far as the United States is concerned, from the actual number of persons employed and the total wages paid to them as shown by the census of 1880; for Great Britain they have been made largely from British figures, and for the other countries the estimates have been made from statements originating with foreign authorities and verified by facts collected by agents of this department. While the actual figures given in the above estimates may not be more than approximately correct, the proportions, I feel sure, are fair.

I am, very respectfully,

CARROLL D. WRIGHT,
Commissioner.

HON. ROGER Q. MILLS,
United States Senate.

The average annual rate of wages is for 1880. The number of hands and value of product is for 1888. The relative comparison is the same. The wages in all countries would be higher in 1888 than in 1880. But the relative differences would be substantially the same.

* * * * *

I am not talking about 1890. I am taking the annual average wages paid in 1880 and comparing it with the product of 1888. It makes no difference, as I said before, that the wages are of 1880 and the product of 1888, for relatively they are the same thing. The wages for 1888 would have been a little larger in all the countries, but it is amply sufficient for the purposes which I have in view. Now, let us apply this. Seven hundred and ninety dollars' worth of product per hand in Great Britain cost in wages \$204. In France \$545 worth of product cost \$175 for wages. In Germany \$545 cost \$155 for wages.

In the United States \$1,880 worth of product cost \$347 for wages. Now, our friends point to the fact that the workman in the United States gets \$347 for his annual work; in Great Britain he gets \$204; in France he gets \$175; in Germany \$155. Ours is the high-priced workman, and these are paupers, but when we come to look at the fact, that our people are paid less than the foreigner for the amount of work they turn out, the boot is found on the other foot.

Now, let us carry this thing out. Let us take the labor cost in other countries of \$1,880 worth of product and compare it with ours. The \$1,880 worth of goods imported into the United States is the thing that is to test the condition of our workmen. When the goods come here then the labor cost of a given amount of goods is compared with the labor cost of the same amount of goods in a foreign country. One thousand eight hundred and eighty dollars' worth of goods cost in this country \$347 for labor.

TABLE SHOWING NUMBER OF EMPLOYEES, TOTAL VALUE OF PRODUCT, VALUE OF PRODUCT PER EMPLOYEE, ANNUAL AVERAGE WAGES PAID PER EMPLOYEE IN MANUFACTURING INDUSTRIES IN THE COUNTRIES NAMED BELOW IN 1880.

Countries.	Total value of product.	Number of employees.	Product per hand.	Annual wages paid.
United Kingdom.....	\$4,100,000,000	5,189,000	\$790	\$204
France.....	2,425,000,000	4,443,000	545	175
Germany.....	2,915,000,000	5,350,000	545	155
Russia.....	1,815,000,000	4,760,000	381	120
Austria.....	1,265,000,000	3,090,000	409	150
Italy.....	605,000,000	2,281,000	265	130
Spain.....	425,000,000	1,167,000	364	120
Belgium.....	510,000,000	953,000	545	165
Switzerland.....	160,000,000	370,000	433	150
United States.....	7,215,000,000	3,837,000	1,880	347

WHO PAYS THE TARIFF TAX?

THE "FATHERS."

The Republicans speak of the "fathers," who framed the *first* tariff so as to "encourage and protect" our "manufacturers." We have seen that this tariff was practically no tariff compared with the Dingley rates, or any other Republican tariff ever framed. But in the House even Mr. Madison, one of the "fathers," warned Congress not to be "oppressive" in framing this (insignificant) tax rate and the Senate reduced some of the rates in the House bill. What did the "fathers" then say about "who pays the tariff tax?"

Alexander Hamilton said:

"Duties of this nature evidently amount to a virtual bounty on the domestic fabrics."

John Quincy Adams said:

"The duty constitutes a part of the price of the whole mass of the article in the market. It is substantially paid upon the article of domestic manufacture as well as upon that of foreign production. Upon one it is a bounty, upon the other a burden, and the repeal of the tax must operate as an equivalent reduction of the price of the article, whether foreign or domestic."

Mr. Clay:

"If there is any truth in political economy, it cannot be that result will agree with the prediction, for we are instructed by our experience that the consumption of any article is in proportion to the reduction of its price, and that, in general, it may be taken as a rule that the duty upon an article forms a part of its price."

Andrew Jackson:

"There is, perhaps, no one of the powers conferred on the Federal Government so liable to abuse as the taxing power."

"The taxes which it lays upon commerce being concealed from the real payer in the price of the article, they do not so readily attract the attention of the people as smaller sums demanded from them directly by the tax gatherer, and as many of these duties are imposed upon articles of necessity which are daily used by the great body of the people, the money raised by these imposts is drawn from their pockets."

Senator Sherman said:

"I say it, and I stand by it, that as a general rule the duties paid on imports operate as a tax upon the consumer."

Senator Edmunds:

"In the main, all these taxes come out of the consumer, particularly internal revenue tax, and perhaps all of these substantially."

Mr. Payne, the Republican leader of the House, March 27, 1897, said:

"I want to state the proposition again. I do not want any Democrat to have any dispute or trouble about it. (1) Where we do *not* produce an article in the United States, or (2) produce a very small proportion, like 10 or 12 per cent., when we put a duty on that article it becomes a revenue duty purely. Such a duty raises the price almost to the full extent of the duty, and the consumer has to pay it; but when you put a duty on an article that we *can* produce in the United States and put on duty enough to allow our people to go into the business, immediately *competition* takes place and the universal Yankee mind is out for an invention to try to find some way to make it more cheaply, and the price of the article is cheapened in the American market until it gets away down below the former price, and very often away down below the duty." (Applause on the Republican side.)

Mr. Payne's argument is that the consumer pays the tax in three instances:

First, when we levy a tax on the article we do not produce.

Second, when we produce 10 or 12 per cent. of such article.

Third, when we *can* produce the article and there is no competition.

Mr. Payne, in effect, admits the Republican way is *very narrow* for the consumer to escape paying the tax at least on the article we *can* produce. Man's experience is that when foreign competition is excluded combinations form and control or entirely destroy competition. The consumer objects to paying a price unreasonable *under the circumstances*, whether the article *is* or *is not* taxed. And the *circumstances* should not be caused by unfair or unlawful methods. Many public utterances of leading Republicans mightily support the contention of the Democrats, that the tariff is a tax and that the "monopolized article" should be untaxed, as suggested by Mr. Sherman, Mr. Hale and other Republicans, to free it and liberate and give the people a fair chance to buy in the open market and live like free men.

In speaking of a monopoly in steel rails, Representative John H. Gear, of Iowa, January 16, 1880, said:

"To a State whose products are in the main agricultural, as are those of Iowa, anything which enhances the cost of railways, thereby even incidentally in the least degree increasing the expense of the transportation of her products to the seaboard, which is her great market, is a question of great interest to all. In view of their greater strength and durability, which lessened the cost of replacement, all the great trunk railway lines of the country are adopting Bessemer steel rails. The manufacturers of this class of rails in the United States are controlled by a combination of not exceeding, I think, ten firms in number.

"This combination is protected by a high and specific tariff, which prevents the importation of foreign rails to any extent, thereby increasing the cost of the railways of the country. Without discussing the tariff question in all its bearings, it may well be considered whether it is wise legislation, by a tariff exceptional in its character, to put immense profits into the pockets of a monopoly composed of but few persons at the expense, in directly, not only of Iowa farmers, but of the whole West. It would, therefore, be well to instruct our Senators and Representatives in Congress to examine into this subject with a view to removing by Congressional legislation any discriminations which may be found to exist in the tariff on steel rails against the interests of Iowa producers."

"FREE LIST," THE MONOPOLIZED ARTICLE TO KILL THE MONOPOLY OR TRUST.

HIGH REPUBLICAN AUTHORITY FOR THIS REMEDY.

Mr. Hale, now Senator, in the House, 1871, said:

"The best Turks Island salt can be purchased at the place produced at 9 and 10 cents per bushel. I believe there is no one question about which the reflection of millions of people day by day is so decided as it is in declaring that there should be no tax upon this article of salt. I have been asked to amend the bill introduced by me, so as to cut down the duty 50 per cent. I do not consent to that. I believe this article should be put upon the free list; that the monopoly which has obtained heretofore for the Onondaga Salt Works—as great and complete as any monopoly ever planted by the Tudors in England's most despotic times—ought to cease."

May 18, 1872, Mr. Garfield said:

"American salt for two years past has been sold in Toronto, Canada, at a dollar less per barrel than on the New York side of the lake. That is, we produced it, shipped it across, paying whatever portage, freights and transportation were required, and then sold to our Canadian neighbors at a dollar per barrel less than it was sold to people on our shores. Certainly gentlemen will not want a duty continued that enables that thing to be done."

On June 6, 1870, by vote—ayes 112, noes 78, not voting 40 (Globe, vol. 43, p. 4101)—the House passed the following resolution:

"Resolved, That the Committee on Ways and Means is hereby instructed, at the earliest moment practicable, to report a bill to this House to abolish the tariff on coal, so as to secure that important article of fuel to the people free from all taxes."

Among those voting "aye" were Messrs. Allison and Cullom, now Senators; the late Senator Hawley; John A. Logan and B. F. Butler.

March 21, 1890, Mr. Sherman said:

"If the combination is aided by our tariff laws they should be promptly changed, and, if necessary, equal competition with all the world should be invited in the monopolized article."

The late Governor Mount (Republican), said in 1899:

"I am against trusts. Remove the protection from the article controlled by trusts, thereby permitting open competition, and see how quickly these trusts will come to their senses."

October 15, 1899, Mr. Sherman said:

"The primary object of a protective tariff is to invite the fullest competition of individuals and corporations in domestic production. If the individuals or corporations combine to advance the price of a domestic product to prevent free result of open and fair competition,

I would without a moment's hesitation reduce the duties on foreign goods competing with them in order to break down the combination. Whenever this competition is evaded or avoided by combination of individuals or manufacturers, the duty should be reduced and foreign competition promptly invited."

Senator Washburn (Republican), in 1899, said:

"The Republican party has got to disconnect itself from trusts, and wherever they find the trust is depending for its exorbitant profits largely on protective duties it will be the duty of Republican Congressmen and Senators to remove the duties at once. This should be done with the duty on steel rails and tin plate."

SENATOR SHERMAN.

REDUCE DUTY. INVITE FOREIGN COMPETITION TO CURB TRUSTS.

The primary object of a protective tariff is to invite the fullest competition by individuals and corporations in domestic production. If such individuals or corporations combine to advance the price of the domestic product, and to prevent the free result of open and fair competition, I would, without a moment's hesitation, reduce the duties on foreign goods competing with them in order to break down the combination. * * *

Whenever this free competition is evaded or avoided by combination of individuals or corporations, the duty should be reduced and foreign competition promptly invited.—October 15, 1889.

BLAINE FOR FREE HIDES.

BLAINE TO McKINLEY IN 1890.

WASHINGTON, April 10, 1890.

DEAR MR. McKINLEY:

It is a great mistake to take hides from the free list, where they have been for so many years. It is a slap in the face to the South Americans with whom we are trying to enlarge our trade. It will benefit the farmer by adding five to eight per cent. to the price of his children's shoes. It will yield a profit to the butcher only—the last man that needs it. The movement is injudicious from beginning to end—in every form and phase. Pray stop it before it sees light. Such movements as this for protection will protect the Republican party into a speedy retirement.

Yours hastily,

JAMES G. BLAINE.

Hon. WILLIAM McKINLEY,
Chairman Ways and Means Committee.

A TAX ON HIDES IS A TAX ON THE SHOES WE WEAR.

The shoe manufacturers of the United States demand the repeal of the 15 per cent. Dingley tariff tax on hides. They say that tax has only benefited the Cattle Trust and the Beef Trust, they being one and the same thing in effect, if not in fact. The Beef Trust is giant enough to escape punishment—having received a recent “immunity bath” under the Roosevelt administration, and confessedly disobeyed the injunction previously issued against it, and yet the Republicans “stand pat”—say this giant is an “infant” and needs 15 per cent. protection—and refuse to reduce or repeal this tax, and that too in face of the fact, that the shoe manufacturers say, with this tax repealed, they can make and sell our own people cheaper shoes and increase their export sales.

They also say, that imported hides are sold by our Hide Trust cheaper to foreigners, who come to the United States and buy them, *than to our own people.*

The recent Republican Campaign Book (1906) states that the tariff on hides was 5 per cent. under the tariff of 1842—a *protective* tariff, and 4 per cent. under the tariff of 1857—the lowest tariff since 1812—which the Republicans *framed* and helped to pass through a Republican House, presided over by a Republican Speaker, General Banks. This book further states, that the tariff was *raised* to 5 per cent. March, 1861, and increased December, 1861, to 10 per cent., of course to get revenue to carry on the Civil War; that rate remained until 1873, and from *that* date hides were “free” *until the Dingley tariff of 1897* placed a tariff tax of 15 per cent. on hides. Although in the recent Republican Campaign Book (1906) it is stated the price of shoes have not been increased under the Dingley tariff, they produce no official table showing this. In the Republican Campaign Book of 1904, page 66, the exact opposite is shown by a table there printed here reproduced:

WHOLESALE PRICES OF BOOTS AND SHOES.

[From Dun's Review.]

	Men's grain shoes	Men's satin shoes	Wax brogans No. 1	Men's kip shoes	Men's calf shoes	Men's split boots	Men's kip boots	Men's calf boots	Women's grain shoes	Women's split shoes
1897 Jan. 1.....	\$1.07½	\$1.17½	\$0.97½	\$1.10	\$1.75	\$1.30	\$1.35	\$2.22½	\$0.87½	\$0.65
April 1.....	1.05	1.17½	.92½	1.10	1.70	1.30	1.32½	2.15	.90	.67½
July 1.....	.97½	1.15	.90	1.05	1.70	1.25	1.27½	2.15	.85	.65
Oct. 1.....	1.02½	1.17½	.95	1.10	1.77½	1.27½	1.32½	2.25	.90	.67½
1898 Jan. 1.....	1.02½	1.15	.92½	1.10	1.75	1.25	1.32½	2.25	.87½	.67½
April 1.....	.97½	1.15	.92½	1.07½	1.70	1.25	1.30	2.22½	.85	.65
July 1.....	1.00	1.17½	.95	1.10	1.70	1.27½	1.32½	2.27½	.85	.65
Oct. 1.....	1.00	1.17½	.92½	1.10	1.70	1.25	1.32½	2.25	.85	.65
1899 Jan. 1.....	.97½	1.12½	.92½	1.07½	1.70	1.25	1.30	2.22½	.85	.65
April 1.....	.95	1.12½	.92½	1.07½	1.70	1.27½	1.30	2.22½	.85	.65
July 1.....	1.00	1.15	.95	1.12½	1.70	1.27½	1.35	2.25	.85	.65
Oct. 1.....	1.02½	1.17½	.97½	1.12½	1.70	1.32½	1.35	2.27½	.87½	.67½
1900 Jan. 1.....	1.12½	1.25	1.02½	1.17½	1.80	1.40	1.42½	2.37½	.97½	.75
April 1.....	1.12½	1.22½	1.02½	1.20	1.80	1.40	1.47½	2.35	.95	.72½
July 1.....	1.07½	1.17½	.97½	1.15	1.77½	1.35	1.42½	2.30	.90	.72½
Oct. 1.....	1.02½	1.12½	.95	1.12½	1.75	1.30	1.35	2.30	.90	.67½
1901 Jan. 1.....	1.05	1.15	.97½	1.15	1.75	1.32½	1.40	2.30	.92½	.67½
April 1.....	1.05	1.12½	.95	1.15	1.75	1.30	1.37½	2.30	.92½	.67½
July 1.....	1.02½	1.10	.95	1.12½	1.72½	1.35	1.35	2.27½	.92½	.67½
Oct. 1.....	1.02½	1.10	.95	1.12½	1.72½	1.35	1.42½	2.30	.92½	.67½
1902 Jan. 1.....	1.05	1.12½	.97½	1.15	1.75	1.35	1.42½	2.30	.95	.67½
April 1.....	1.07½	1.15	1.00	1.15	1.80	1.40	1.47½	2.35	.97½	.70
July 1.....	1.07½	1.00	1.00	1.12½	1.75	1.40	1.47½	2.30	.97½	.70
Oct. 1.....	1.10	1.12½	1.02½	1.12½	1.75	1.40	1.47½	2.30	1.00	.72½
1903 Jan. 1.....	1.10	1.15	1.02½	1.12½	1.75	1.40	1.47½	2.35	1.00	.72½
April 1.....	1.15	1.15	1.02½	1.17½	1.75	1.40	1.52½	2.35	1.02½	.72½
July 1.....	1.15	1.15	1.02½	1.17½	1.75	1.40	1.52½	2.35	1.02½	.72½
Oct. 1.....	1.15	1.12½	1.02½	1.17½	1.75	1.42½	1.52½	2.35	1.05	.77½
1904 Jan. 1.....	1.15	1.15	1.02½	1.17½	1.75	1.42½	1.52½	2.35	1.05	.77½
April 1.....	1.17½	1.17½	1.02½	1.17½	1.75	1.42½	1.52½	2.35	1.07½	.77½

The people of the United States have paid \$20,894,094.65 tariff tax on hides and skins imposed by the Dingley tariff, as shown by the following:

Hon. JOHN W. GAINES, M. C.,
1325 G Street, Washington, D. C.

SIR—In response to your request of today you are respectfully informed that from July 1, 1897, to June 30, 1906, the duty collected on hides and skins was \$20,894,094.65.

The Dingley Act went into effect on July 24, 1897, so you can see that these figures practically cover the entire period that this Act has been effective.

Very truly yours,
(Signed) J. N. WHITNEY,
Acting Chief of Bureau.

Mr. A. W. Rice (National Association of Boot and Shoe Manufacturers) at a meeting of the National Reciprocity convention, November 19 and 20, 1901, said:

"The fact is the English or other foreign manufacturers come into this market (United States) and buy leather made from South American or other hides from 10 to 15 per cent. cheaper than the American manufacturer can buy it.

They take the leather home, make it into shoes and in competition with American manufacturers send it to Cuba or other foreign countries and that is one of the reasons Cuba imports a large percentage of its shoes from Europe." (Page 68, Printed Proceedings.)

THE FARMERS AND THE TARIFF.

The able speech of Mr. Rucker, of Missouri, during the last session of Congress shows in another light the benefits of a revenue as against a protective tariff in the increase of farming property as set forth in the following table:

COMPARISON OF THE ESTIMATED VALUATION OF THE NATIONAL WEALTH OF THE UNITED STATES AND THE VALUATION OF FARMING PROPERTY.

Year.	Estimated national wealth.		Value of all farm property.	
	Total	Per cent Increase.	Total	Per cent. of Increase.
1850	\$7,135,780,288	.....	\$3,967,343,580	.....
1860	16,159,616,068	126.46	7,980,493,063	101.15
1870	30,068,518,507	86.07	8,899,966,578	11.52
1880	43,642,000,000	45.14	12,180,501,538	36.84
1890	65,037,091,197	49.02	16,082,267,689	32.03
1900	95,000,000,000	45.90	20,439,901,164	27.09

Again he shows the value to the farmer of a revenue tariff:

STATEMENT SHOWING INCREASE IN ACREAGE OF IMPROVED FARM LANDS AND VALUE OF LIVE STOCK, 1850-1900.

Years.	Acreage of improved farm lands.	Increase.	Value of live stock.	Increase.
		Per cent.		Per cent.
1850.....	113,032,614	....	\$544,180,516	.....
1860.....	163,110,720	44.30	1,089,329,915	100.17
1870.....	188,921,099	15.82	1,220,221,166	12.01
1880.....	284,771,042	50.73	1,576,884,707	29.22
1890.....	357,616,755	25.57	2,308,767,573	46.41
1900.....	414,498,487	15.90	3,075,477,703	33.20

He further shows that the business of the country increased more under the protective tariff of 1880 than under the present Dingley tariff. Worthy of note here is a comparison of the increase in manufacturing in 1850-60 under the very low tariff of that period as against that of the table below. In 1860 the increase was 87 per cent., while in 1900 it was only 44.1.

Mr. Rucker—I desire to read a table compiled from the Abstract of the Twelfth Census, under the title of "Manufactures."

	Date of census.			Per cent. of increase.	
	1900.	1890.	1880.	1890 to 1900.	1880 to 1890.
Number of establishments	512,276	355,405	253,852	44.1	40.0
Capital	\$9,831,496,500	\$6,525,050,759	\$2,790,272,606	50.7	133.8
Wage-earners (average number)	5,314,539	4,251,535	.....	25.0	55.6
Total wages.	\$2,327,295,545	\$1,891,209,696	\$947,953,795	23.1	99.5
Men at least 16 year old	4,114,348	3,326,964	.....	23.7	....
Wages	\$2,019,954,204	\$1,659,215,858	.....	21.7	....
Women at least 16 year old	1,031,608	803,688	.....	28.4	....
Wages	\$281,679,649	\$215,367,976	.....	30.8	....
Children under 16 years old	168,583	120,885	.....	39.5	....
Wages	\$25,661,692	\$16,625,862	.....	54.3	....
Value of products	\$13,010,036,514	\$9,372,378,843	\$5,369,597,191	38.8	74.5

Halt here and consider the startling figures that the table given below discloses on the subject of life—food whereby the wage-earner may support his family, the farmer may renew his strength for the plow-share, and the honest citizen of all trades may live and seek the Constitutional-given rights of "life, liberty and the pursuit of happiness."

COST OF LIVING COMPARED UNDER WILSON AND DINGLEY TARIFFS.

In Bulletin No. 59, issued by the Bureau of Labor in July, 1905, I find this statement

"The price of all the more important articles was higher in 1904 than the average for the ten-year period, 1890 to 1899. Bacon was 37.9 per cent. higher, eggs 30.9 per cent. higher, dry or pickled pork 25.8 per cent. higher, fresh pork 24 per cent. higher, corn meal 21.5 per cent. higher, potatoes 21.3 per cent. higher, chickens 20.7 per cent. higher, flour, 19.9 per cent. higher, salt ham, 18.4 per cent. higher.

These "conclusions," reached after a most careful and thorough investigation, are fully justified by this table contained in Dun's Review of recent date.

Classes of commodities.	Wholesale cost—		Increase. Per cent.
	July 1, 1897. Wilson Act.	July 1, 1905. Dingley Act.	
Breadstuffs	\$10.59	\$18.83	77.87
Meats	7.53	8.61	14.41
Dairy and garden products	8.71	9.98	14.55
Other food articles	7.89	9.92	25.80
Clothing	13.81	17.99	30.26
Metals	11.64	15.92	36.71
Miscellaneous	12.29	17.06	38.84
Total	\$72.46	\$98.31	35.69

Nor is this all—indeed there is no branch which the tariff does not affect. Note here the effect of the low tariff of 1890 on the amount of mortgages as compared with that of the Dingley law of 1900. Here is food for thought for those farmers whose old home is under the shadow of the dreaded mortgage:

Mr. Rucker—"I now read a table prepared from information obtained at the Census Bureau and from the Abstract of the Twelfth Census:

	1890.	1900.	Increase. Per cent.
Mortgage indebtedness in the United States.....	\$6,019,679,985	\$8,394,728,733	39.48
Number of mortgaged homes in the United States.....	1,696,890	2,361,606	39.11
Per cent. of families in United States owning free homes.	34.4	31.8	....

"These statistics show that mortgage indebtedness in the United States increased nearly 40 per cent. between 1890 and 1900; that the number of mortgaged homes increased over 39 per cent., while the percentage of families owning free homes decreased nearly 3 per cent."

INCREASED COST OF AGRICULTURAL MACHINERY.

Extracts from a speech of the Hon. Adam M. Byrd, of Mississippi delivered in the House April 16, 1906.

. . . . A manufacturer of farm wagons, in explaining why he advanced prices 25 per cent., said:

"Less than two years ago the president of the great steel corporation testified that bar iron and steel could be produced at a profit for \$12.50 per ton, and for steel we must pay \$40, or over 200 per cent. profit. The steel magnates tell us that when iron was sold at \$18 per ton the price was too low and was a breeder of panics; but we all recall the fact that in 1893 the Carnegie properties were valued at less than \$10,000,000, and that after five years of panic and \$18 prices, Mr. Carnegie sold his interest alone in these properties for \$360,000,000. This was 350 per cent. profit in five years, or 72 per cent. annually, and in panic times too. How long, O Lord, how long, will 'the dear people' be thus fooled?"

. . . . Speaking of the effect of protection, Alexander Hamilton said:

"Duties of this nature evidently amount to a virtual bounty on the domestic fabrics."

To the same effect John Quincy Adams wrote:

"The duty constitutes a part of the price of the whole mass of the article in the market. It is substantially paid upon the article of domestic manufacture as well upon that of foreign production. Upon one it is a bounty, upon the other a burden, and the repeal of the tax must operate as an equivalent reduction of the price of the article, whether foreign or domestic."

. . . . In this connection let me read you a table showing the total amount of four leading products imported into the United States in 1905, together with the actual per cent. rate of duty paid and amount received by the Government:

Articles.	Value.	Duty.	Ad valorem rate.
Iron and steel products.....	\$22,044,937....	\$8,422,237....	38 per cent.
Meat products.....	726,664....	254,332....	35 " "
Agricultural	13,876....	2,775....	20 " "
Glass and glassware.....	5,776,669....	3,311,715....	57 " "

The value of these imports plus cost of the transportation and plus the duty collected, not only fixed their prices in this market, but also the prices of all like domestic products consumed"

The Canadian Tariff Commission says:

"Makers of threshing machines, feeders, stackers, weighers, baggers, and portable engines in the United States are selling these things in Canada at 35 per cent. below American prices. They say that the discounts are that much below what any jobber can obtain them for in the United States, and that a trade has been built up which amounts to \$750,000 a year."

From a report of the Census Bureau, showing the increase of wages per hour, from 1890 to 1903, we find that wages in four protected industries have increased less than in non-protected industries.

PROTECTED.

Boiler makers.....	0.02 per cent.
Iron molders.....	.04 " "
Machinists.....	.02 " "
Blacksmiths.....	.02 " "

NON-PROTECTED.

Bricklayers.....	.11 per cent.
Hod carriers.....	.06 " "
Painters.....	.07 " "
Carpenters.....	.08 " "

Synopsis of a speech by Hon. Leonidas F. Livingston, September 12, 1905, before a Virginia Farmers' Convention:

POINTS.

1. The Tariff Tax discriminates against the farmer, but is easily advocated because it is paid without conscious knowledge.

2. Economists have shown that the tariff tax is paid as follows: four-fifths by the consumer and one-fifth by the exporter and foreign manufacturer.

3. The tariff tax has unduly enriched one class at the expense of another. Every time a farmer gets \$1.00 the manufacturer gets \$4.50.

4. Farmers are one-third of the nation and get one-sixth of the increase in national wealth, while the manufacturers, one-fourth of the population, receive one-half.

5. Farmer's wealth doubles in from thirty to forty years; the manufacturer's in from ten to twenty years.

6. The farmer's per capita wealth was about stationary from 1860 to 1890, while the manufacturer's per capita increased six-fold.

7. Of every \$238.00 bought by farmers, \$18.00 goes to the government and \$37.00 to protected trusts.

8. Protection does not give farmers a market for their goods, while insuring one for the manufacturers.

9. The farmer is the mainstay of the country and his interests demand a removal of the legislation which enriches another class unnecessarily, and chiefly at the farmer's expense.

ARGUMENT.

The protective tariff which gives an advantage to the manufacturing class and not to other industrial classes, must injuriously affect the unprotected classes. If the protected class were in a large majority such a tariff might be defended on the principle of the greatest good to the greatest number; but if it is in the minority it is indefensible upon any principle consistent with Republican institutions.

Now, the entire population of the United States in the year 1900 was 76,303,387; and a little less than 39 per cent. of these were engaged in gainful pursuits; that is, there were 29,074,117 persons so engaged. These were so divided into five classes according to occupation.

The manufacturing class contained 7,085,992. The other four classes contained 21,988,125, or 14,903,133 more than the manufacturing class—more than three times as many. According to occupation there were:

In agriculture.....	10,381,765
In trade and transportation.....	4,766,964
In domestic and personal service.....	5,580,657

These twenty-two million people and all their dependents, constituting more than three-fourths of the entire population of the country, are discriminated against by a protective tariff in favor of the seven millions of persons engaged in manufacturing; and this is done in the name of American labor.

THE AGRICULTURE CLASS AND THE TARIFF.

"Now, let us," said Mr. Livingston, "consider how the farmer is affected by this system. The farmers constitute more than one-third of the whole population. They produce the cereals, the meats, and the cotton consumed by our own people."

He then argued that the farmers are the exporters of those products. They must compete in the markets of the world, and cannot, therefore, by any possibility derive any direct benefit from a tariff law. Those who produce grain sell about 10 or 15 per cent. of their products abroad—never more than 16 per cent.—and yet the foreign market fixes the domestic price. They cannot sell cheaper abroad than at home; because they have no monopoly of the home market. And the same is true of those who produce meats and cotton; though the cotton planters sell a larger percentage of their crops abroad. The farmers cannot form trusts to prevent competition and keep prices high; because they are widely scattered, and also because they have not sufficient capital to enable them to hold their products for long periods. Their environment compels them to sell at prices fixed, not by themselves, but by foreigners, and according to the natural law of supply and demand. But when it comes to buying, the tariff law of this country controls. They must pay taxes on every imported article; and they must pay a price equivalent to plus the actual value of every domestic article.

"THE EFFECT OF THE TARIFF ON RURAL WEALTH.

"That the farmer is not given a square deal by the operation of high protective tariff law is shown by the effect of these laws on rural and urban wealth.

"The growth of these two classes in wealth is shown by the following table taken from census sources.

"URBAN AND RURAL WEALTH OF THE UNITED STATES.

Years.	Millions of Dollars.			Percentage of Total.	
	Urban.	Rural.	Total.	Urban.	Rural.
1850.....	\$3,169	\$3,967	\$7,136	44.4	55.6
1860.....	8,190	7,980	16,160	50.6	49.4
1870.....	15,155	8,900	24,055	63.0	37.0
1880.....	31,538	12,104	43,642	72.2	27.8
1890.....	49,055	15,980	65,037	75.4	24.6
1900.....	73,786	20,514	94,300	78.2	21.8

"From 1850 to 1860, the years of low tariff, rural wealth *doubled*. From 1860 to 1890, during *thirty years of high tariff*, it barely doubled again. And from 1890 to 1900 it increased barely twenty-five per cent.

"On the other hand, urban wealth doubled in every decade, except from 1880 to 1890, and from 1890 to 1900; and in these two decades the growth was about fifty per cent." * * *

"Nor is this all. In 1850 the farmer owned more than half of the country, while in 1900 he owned but little more than one-fifth.

"While the average per capita wealth of the farmers remained practically stationary from 1860 to 1900, that of the urbanites increased six-fold.

"Of the \$78,000,000,000 increase in wealth from 1860 to 1900 less than one-sixth of it went to the farmers who make up about one-half the population; while of the \$9,000,000,000 increase during the free trade era, 1850 to 1860, more than 44 per cent. of it went to the farmers."

TAXES PAID BY FARMERS.

"Mr. Byron W. Holt, one of America's greatest economists, has computed the tariff taxes paid annually by farmers in an admirable summary, which I reproduce for a few comments which I wish to make upon it.

THE AVERAGE FARMER'S TARIFF TAXES.

Article and Quantity.	Purchases. Cost.	Tariff To U. S.	Tax Paid To Trusts.	Total.
Sugar, 300 pounds.....	\$18 00	\$6 50	\$1 50	\$8 00
Woolen goods.....	20 00	1 50	5 00	6 50
Cotton goods.....	12 00	50	2 75	3 25
Silk goods.....	4 00	50	1 00	1 50
Linen goods.....	2 00	20	25	45
Leather goods.....	12 00	40	1 60	2 00
Hardware	3 00	05	95	1 00
Chinaware	2 00	10	60	70
Furniture	10 00	20	1 50	1 70
Farm Implements.....	30 00	25	5 00	5 25
Window glass, one-third box.	1 20	10	40	50
Other glass.....	1 50	15	45	60
Lead, in paints, etc., 30 pounds	2 00	15	35	50
Chemicals	2 50	30	90	1 20
Tin plate, 50 pounds.....	2 40	05	85	90
Wire and other nails, 100 lbs.	3 00	00	75	75
Barb and other wire, 80 lbs..	3 00	00	1 00	1 00
Liquor, spirits, etc.....	25 00	50	2 50	3 00
Tobacco	10 00	60	1 90	2 50
Miscellaneous	74 75	5 95	7 85	13 80
Total.....	\$238 35	\$18 00	\$37 10	\$55 10

"On the average every farmer buys each year of \$238.35 in sugar, woolen goods, cotton goods, silk goods, etc. Out of this \$238.35, the tariff tax takes \$55.00. If this \$55.00 went to the government there would be less room to complain, but it does not. The most careful calculations show that of the \$55.00 tariff tax paid each year by each farmer, the government receives \$18.00 and the manufacturing trusts \$37.00.

"OUR FARMER'S SHARE OF THE WORLD'S CROPS.

"Authentic census figures show that of the agricultural crops of the world the farmers of the United States furnish the following percentages:

Of Wool.....	10.8%	or one-tenth.
Of Rye.....	20. %	or one-fifth.
Of Wheat.....	21.4%	or more than one-fifth.
Of Barley.....	37.7%	or more than two-fifths.
Of Corn.....	73. %	or more than seven-tenths.
Of Cotton.....	82. %	or more than eight-tenths.

"With these figures before you is it difficult to account for our national prosperity? We are the feeders of the world, and also the clothiers of the world. The farmers of the United States are the substratum upon which our national wealth is laid, and from whom the stream of our marvelous prosperity flows with healing power."

WHAT WE SELL ABROAD.

Of Oats.....	\$1,850,000
Of Rye.....	3,143,913
Of Barley.....	4,662,541
Of Fruits.....	18,057,677
Of Tobacco.....	35,250,899
Of Corn.....	40,540,837
Of Wheat.....	87,795,104
Of Cotton.....	317,065,271
Total.....	\$508,366,042

What a splendid record!

The manufacturers, with all their special privileges and predatory methods, have achieved nothing in comparison with it. If power and authority are the rewards of merit, the farmers should rule this country. If they only knew their own power, they would not submit to the injustices and outrages imposed upon them by selfish interests. But you ask, how shall they assert themselves? I answer, let them exert the only real power they possess, the power of the ballot, for the defense of their rights and interests. Their ballots cannot be controlled by trusts unless they are themselves unworthy. Let them send tariff reformers to represent them in Congress. Then, and only then, they will get justice.

DEPARTMENTAL SCANDALS.

SCANDALS IN THE TREASURY DEPARTMENT.

SECRETARY SHAW'S ABSENTEEISM AND PERNICIOUS ACTIVITY—INEFFICIENCY OF THE COMPTROLLER OF THE CURRENCY—THE FAILURE OF THE WALSH BANKS, THE ENTERPRISE BANK AND OTHERS—LITTLE ROGUES PROSECUTED, BUT BIG ONES ALLOWED TO ESCAPE.

In the Treasury Department we find the Secretary neglecting the duties of his office, traveling about the country making speeches for the stand-patters and carrying on a campaign for the Presidential nomination in 1908, but still drawing a salary which he does not earn, and setting a bad example for his subordinates.

WALSH BANK FAILURE.

In the office of the Comptroller of the Currency there have been numerous scandals in connection with national banks by reason of the negligence or collusion of bank inspectors. The officers of some of these banks have practically loaned to themselves under one subterfuge and another the entire assets, deposits and everything else, while the inspectors, either through ignorance or fraud, have reported them as sound. One or two cases of recent date will illustrate this point. Let us take first the Walsh banks of Chicago. The capital of Walsh's banks was: Chicago National, \$1,000,000; Home Savings, \$100,000 (from Chicago Securities, 1905); Equitable Trust, \$500,000, making a total capital of the three banks of \$1,600,000. The deposits of the Chicago National were about \$20,000,000; of the Home Savings, \$4,000,000, and of the Equitable Trust, \$2,000,000, making total deposits of \$26,000,000.

Both the State law and the Federal law provide that no bank shall lend over 10 per cent. of its capital to any one borrower. According to the report there was loaned by Walsh to Walsh \$15,000,000, or 800 per cent. of the capital of the combined banks. These loans were ingeniously handled, so as, if possible, to avoid liability. The banks carried a vast amount of bonds of Walsh's railroads, coal mines, and stone quarries, and in some cases an amount stated to be \$2,000,000, was loaned on notes signed by the names, but not with the signatures, of people who either were ignorant of their names being used, or, at any rate, had no interest in the transaction.

The names of bell boys and other underlings about the bank were signed to notes.

It was contended by Secretary Shaw, as quoted in the Chicago press, and not denied by him, that Walsh, in this system of finance, did nothing beyond what most banks do in making excess loans.

Had Walsh succeeded in his plans and made a profit, that profit would have been his, and would not have redounded to the benefit

of either his depositors or his stockholders. As he failed, it was merely incidental that the other banks saved his depositors. His stockholders certainly lost.

In May, 1906, Mr. W. T. Fenton, a member of the Chicago Clearing House, testified before the House Committee on Banking and Currency, as follows:

"The banks of Chicago were called together on a Sunday; the members of the clearing house stayed up all night Sunday night; *they found the Chicago National Bank was hopelessly insolvent.* Not a member of the clearing house suspected that there was anything wrong with it.

"The members of the Chicago Clearing House, after sitting up all night to avert what they thought would be a calamity, assumed the obligations of that bank and took the bank's assets. *The immediate cause of the failure of that concern was over-loans to concerns in which the president of the bank was interested.* Correspondence was shown at that meeting of the clearing house running back over a period of three years—and I am not saying this to cast reflections on the Comptroller's department or on any of the examiners or officials—but here are the facts, that three years before that bank closed the Comptroller's department knew that the president of the institution had loaned \$5,000,000 to a concern in which he was interested; and by the night we took over the assets he had used \$15,000,000 of the assets of that bank. And here is one of the results of familiarity with the violation of this law. It had been done so long, and had been overlooked and temporized with until it grew and grew, and finally absorbed the entire institution; and we were called upon, in order to maintain the financial integrity of our city, to liquidate that institution, and take its assets and assume its debts."

THE ENTERPRISE BANK FAILURE.

The Enterprise National Bank of Allegheny, Pennsylvania, failed in October, 1905. It had at the time about \$800,000 of State funds among its deposits. It had loaned large sums, nearly \$700,000 in all, to politicians, and to the Santa Fe Central Railroad and the Pennsylvania Development Company of New Mexico, which were controlled by "Bull" Andrews and other members of the old Quay ring.

This failure was a Republican affair all round. A dispatch to the *Washington Post*, dated Pittsburgh, October 18, 1905, said:

"It is conceded by all that the expose of today deals one of the hardest blows ever suffered by the Republicanism of Pennsylvania! Francis J. Torrance, head of the Standard Manufacturing Company and one of the leading Republicans of Pennsylvania, has been closely identified with the workings of the bank now in the hands of a receiver, and he is lying at the point of death. Clarke, the cashier, now dead, with W. R. Andrews, formerly of Pittsburg, now Territorial Delegate of New Mexico at Washington, and former State Senator Arthur Kennedy had, it appears, been in several large deals. One of them was the selling of railroad property to the Santa Fe road. The option, which, if closed, meant a fortune to each of those named, was not taken up by the Santa Fe people on Saturday, but was allowed to expire."

The Treasury Department doesn't interfere with such men, unless they fail outright, nor until the matter can no longer be concealed. No doubt, the political complexion of such affairs

had also much to do with the refusal of a Republican Congress to pass the Tillman resolution, directing the Committee on Finance to inquire whether or not the national banks have made contributions in aid of political committees.

CASSIE CHADWICK GOES TO PRISON, BUT THE BIG ROGUES ALL GO FREE.

After exposures have been made by outsiders, and when concealment is no longer possible, the Government takes hold and eagerly prosecutes small culprits without political connections or influence, like Cassie Chadwick and people of that class, and then boasts of its great work. In a statement made by Mr. Watson, of Indiana, in the House of Representatives, June 27, 1906, it was said:

"The Government has been very vigilant in enforcing the national banking laws. Under this Administration several important cases have been tried.

"The celebrated Cassie Chadwick case in Ohio was prosecuted by the Government, and the defendant was sentenced to a term of ten years in the Ohio penitentiary for conspiracy in the misappropriation of the funds of the Citizen's National Bank of Oberlin, Ohio.

"Arthur B. Speer was jointly indicted with Cassie Chadwick and was sentenced to seven years in the penitentiary.

"In the northern district of Iowa, W. R. Brown, a national bank official, was indicted for violation of the national bank laws. He was sentenced to five years in the penitentiary."

But what about the looting of the great Maverick Bank, of Boston, the Walsh banks of Chicago, the Enterprise National Bank, of Allegheny, Pa., and the numerous other banks run in the interest of Republicans and looted by them? Why has not the administration prosecuted the criminals in those cases? Cassie Chadwick and the other little criminals went to jail, of course. But the great criminals, who habitually violate the banking laws in the way that Walsh did, are not disturbed, because they have political influence.

Are they able to contribute large sums to Republican campaign funds?

WHAT WAS DONE DURING THE CANVASS LAST YEAR (1896) BY NATIONAL CITY BANK OF NEW YORK LEADS TO CORRUPT SALE OF NEW YORK CUSTOM HOUSE.

A CONTINUOUS SCANDAL FROM 1896 TO 1906 AND THE
END NOT IN SIGHT. UNDER A REPUBLICAN
ADMINISTRATION.

"LEST WE FORGET."

Mr. A. B. Hepburn promptly reminded Mr. Gage of "what was done during the last canvass" (1896), by the National City Bank, and in 1897 asks a fair return:

NATIONAL CITY BANK OF NEW YORK,

New York, June 5, 1897.

MY DEAR MR. GAGE: The National City Bank, of this city, of which I recently became vice-president through the consolidation of the business of the Third National with it, is one of the banks designated as a United States depository, and I write to request that in any changes which may be made under the administration we may not be disturbed in this respect. We should like to remain a United States depository as at present. Of course the bank is very strong, and if you will take the pains to *look at our list of directors you will see that we also have very great political claims in view of what was done during the canvass last year.*

Yours very truly,

A. B. HEPBURN.

Hon. LYMAN J. GAGE,

United States Treasury, Washington, D. C.

The favor was granted.

Having again aided in the election of a Republican Congress in the next election, this bank asks for and receives another favor, which was "conceived in iniquity and born in sin," designed to be a fraud, is a *continuing* scandal and an outrage on the State of and city of New York and the Federal Government.

SALE NEW YORK CUSTOM HOUSE PROPERTY. STILL EXEMPT FROM TAXES BY A "TRICK" OF GAGE AND THIS BANK.

The sale of the old custom house in New York city is one of the chief blots in the McKinley administration. This fraud and scandal was engineered by Secretary Gage in July, 1899. He sold the custom house on Wall street in New York to the National City Bank, a Rockefeller establishment, for the price of \$3,265,000, about one third the value of the property, which is said to be worth fully \$10,000,000.

This transaction is understood to have followed a munificent contribution to Mr. Hanna's fund in 1896. It has been said that this property, now considered to be worth \$10,000,000, has been practically transferred to the bank by the skill of a bookkeeper, without the actual transfer of one solitary cent of money beyond the contribution to the campaign fund. It is the most marvelous transaction in history. The Secretary of the Treasury deposits with the bank from \$5,000,000 to \$15,000,000 of United States funds without interest. The bank in making payment for the property simply credited the Government's account with \$3,215,000, leaving an unpaid balance of \$50,000. The Government continues to occupy the building, paying the bank a rental therefor of \$130,600 a year. In the ten years the bank draws in rentals from the Government \$1,306,000 and in interest on Government deposits probably another million. In the meantime, the Government declines to even receive a credit for the \$50,000 balance on the building, thus saving for the bank, State and city taxes in ten years, amounting to \$750,000, since the title does not pass from the Government until that \$50,000 is paid.

The Democrats in Congress have year after year opposed the appropriation of money from the Treasury to pay rent under this contract, and in 1905, succeeded in striking out the item for that purpose.

But, as a rule, the payments have been regularly provided for in the Sundry Civil bill; and this year (1906) that bill carried the usual item of \$130,600 for the rental of a house to which the Government still holds the title; and, moreover, the General Deficiency bill carried a similar appropriation to cover the deficiency caused by striking the item from the Sundry Civil bill last year. The fact that such an item was in the General Deficiency bill was guarded with the utmost secrecy. No mention of it was made in the report of the Appropriations Committee. But when the bill was under consideration in the House, on June 26, 1906, Mr. Sulzer, who has directed the fight on the floor of the House against this appropriation for the last six or seven years, made a point of order against the appropriation.

"The Chair holds that this is a debt owed by the Government and that it should be paid," said Mr. Crumpacker, of Indiana, who was temporarily presiding.

"If it is a just debt the National City Bank can recover through the Court of Claims," Mr. Sulzer said. "It is the same old steal. That bank is withholding \$50,000 of the purchase price from the Government for the sole purpose of defrauding the State and city of New York of taxes. So long as the bank does not pay the \$50,000, the deed and title to the custom house property remains with the Government."

Mr. Fitzgerald, of Brooklyn, said the contract was a scandal and a disgrace.

Mr. Sulzer's motion was lost—65 to 88. Every Republican in the House, except McCreary, of Pennsylvania, voted against it.

John Wesley Gaines, of Tennessee, moved to deduct the \$50,000 owed by the National City Bank to the Government from the \$130,600 appropriation for rent and give the bank a deed for the property, so that the State and city of New York could collect the taxes. This was voted down—72 to 40—the Republicans voting no.

After getting the custom house property for nothing, and receiving 4 per cent. interest, under the name of rent, on what it pretended to have paid to the Government under the spurious contract, the National City Bank made Lyman J. Gage president of the United States Trust Company and his assistant, F. A. Vanderlip, vice-president of the bank itself. In view of the many profitable privileges which have lately been granted to the same bank, the question is often asked whether Secretary Shaw is also to become the head of a metropolitan banking institution controlled by National City Bank and Standard Oil capital.

Here are some of the letters that passed between the president of this bank and Secretary Gage, which show they are both guilty of this infamous outrage:

THE NATIONAL CITY BANK OF NEW YORK,

New York, August 18, 1899.

DEAR SIR: In accordance with the permission given us when I had the pleasure of speaking with you over the telephone today, this bank will transfer on its books tomorrow, August 19, to the credit of the Treasurer of the United States, the sum of \$3,215,000 as payment on account of our purchase of the old custom house property, for which we will issue the customary receipt. Please instruct the Assistant Treasurer of the United States in this city to receive and hold as security for public moneys the required amount of United States bonds.

As the check for \$150,000, inclosed with our bid and now in your possession, has not been used, will you kindly return it to us?

We shall make the above payment of \$3,215,000 upon the understanding, of course, that we are not to be liable for any taxes or water rates upon the property so long as you remain in possession and the balance of \$50,000 remains unpaid and the deed is undelivered.

We presume you are forwarding today the deed and contract, as the same were sent to you last Wednesday.

It seems from an examination of the title that the property contains 583 square feet less than we supposed, owing to the fact that the city has used a portion of the original tract as a street, and our attorneys advise us that it has had possession so long that probably we could not regain possession of it even after a protracted litigation.

Will you please give us a formal certificate, under seal, stating what notice you gave, by advertisement or otherwise, of the sale of the custom house property, and that, in your judgment, this was in compliance with the act of Congress, in respect to due advertisement.

Assuring you of our appreciation of your attention, I am,
Yours very truly,

JAMES STILLMAN,
President.

Hon. LYMAN J. GAGE,

Secretary of the Treasury, Washington, D. C.

—House Document 264, Fifty-sixth Congress, first session.

Here is part of Gage's reply, August 21, 1899:

As to the taxes against said property, you are advised that the Department's understanding of this matter is just the same as yours, and that until we deliver you the deed you will not have to pay the taxes to the city of New York.

DEMOCRATS FIRST TO RECOGNIZE ORGANIZED LABOR.

FIRST TO INTRODUCE AND ENFORCE AN EIGHT-HOUR LAW.

The Democratic party met in convention in New York in July, 1868, nominated Horatio Seymour for President and in its platform inserted the following plank:

Resolved, That this convention sympathize cordially with the workingmen of the United States in their efforts to protect the rights and interests of the laboring classes of the country.

The Republican party met in May of the same year in Chicago and nominated Ulysses S. Grant for President, but failed to mention a single sentence in its platform about the laboring classes or organized labor.

The unions appealed, through their representatives, to the Democratic convention for succor and aid, with the above result. Thus, the party of Jackson and Jefferson has the honor of being the first to champion in its platform the interests of organized labor—an enviable distinction.

Nor was this all which they did for the cause of labor. The first eight-hour law ever introduced in the House of Representatives was brought in by a Democrat, Mr. Rogers, of New Jersey. But his efforts were in vain, for the Congress was Republican and the bill died in the committee room.

Again a Democrat attempted to aid the labor party by introducing in the Thirty-ninth Congress another eight-hour law. But the Republicans—then in power—quietly buried it.

The same fate was doled out to the Rogers eight-hour bill, reintroduced by Mr. Julian, of Indiana, March 14, 1867.

Against the protest of such Republicans as John Sherman, General Banks by the aid of Senator Thomas A. Hendricks, finally got an eight-hour law passed in 1868.

But what was the fate of this law, once it was enacted? It slept upon the statute books during Republican administrations, but was strongly enforced when the Democrats were in power.

It is safe to say there has not been a statute enacted by Congress for the relief of the "Workingmen of the United States," or "Organized Labor," that the Democrats have not given it their hearty support.

THE DEMOCRACY AND ORGANIZED LABOR.

"WE ARE OPPOSED TO GOVERNMENT BY INJUNCTION: WE DENOUNCE THE BLACK LIST: AND WE FAVOR ARBITRATION AS A MEANS OF SETTling DISPUTES BETWEEN CORPORATIONS AND THEIR EMPLOYEES." (Democratic Platform of 1900.)

"We especially object to government by injunction as a new and highly dangerous form of oppression, by which Federal judges, in contempt of the laws of the States and the rights of the citizen, become at once legislators, judges and executioners, and we approve the bill recently passed by the United States Senate, and now pending in the House, relative to contempts in Federal courts, and providing for trials by jury in certain cases of contempt."—Democratic Platform of 1896, reaffirmed in 1900.

"We favor the enactment and administration of laws giving labor and capital impartially their just rights. Capital and labor ought not to be enemies. Each is necessary to the other. Each has its rights, but the rights of labor are certainly no less 'vested', no less 'sacred' and no less 'inalienable' than the rights of capital.

"We favor arbitration of differences between corporate employers and their employees, and a strict enforcement of the eight-hour law on all Government work.

"We approve the measure which passed the United States Senate in 1896, but which a Republican Congress has ever since refused to enact, relating to contempts in Federal courts and providing for trial by jury in cases of indirect contempt."

The prominence given to the dispute between organized labor and its enemies by the attitude of Speaker Cannon, Mr. Littlefield, of Maine, and the present administration in this campaign, makes it proper to review in this place the record of the Democratic and Republican parties on the labor question.

On February 26, 1900, Mr. Ridgely, of Kansas, introduced a bill (H. R. 8917, Fifty-sixth Congress, first session):

"To limit the meaning of the word 'conspiracy' and also the use of restraining orders, and injunctions as applied to disputes between employers and employees in the District of Columbia and the Territories, or engaged in commerce between the several States, District of Columbia and Territories, and with foreign nations."

The bill was drawn, according to Mr. Ridgely, "by the attorneys employed by the united labor organizations of this country." It was drawn "in the belief that it would come within the constitutional limits." (Congressional Record, February 18, 1901, p. 2592.) It provided:

"That no agreement, combination, or contract by or between two or more persons to do, or procure to be done, or not to do, or procure not to be done, any act in contemplation or furtherance of any trade dispute between employers and employees in the District of Columbia, or in any Territory of the United States, or who may be engaged in trade or commerce between any Territory and another, or between any Territory or Territories and any State or States, or the District of Columbia, or with foreign nations, or between the District of Columbia and any State or States or foreign nations, shall be deemed crimi-

nal; nor shall those engaged therein be indictable or otherwise punishable for the crime of conspiracy, if such act committed by one person would not be punishable as a crime (nor shall such agreement, combination, or contract be considered as in restraint of trade or commerce), nor shall any restraining order or injunction be issued with relation thereto." (C. R. vol. 34, p. 2592.)

Two reports were made on this bill. The majority report, submitted by Mr. Littlefield, of Maine, was concurred in by the other ten Republican members of the House Judiciary Committee. It will be found in the Congressional Record, vol. 34, p. 2590. It proposed to amend the Ridgely bill, by striking out the words, "nor shall such agreement, combination or contract be considered as in restraint of trade or commerce," and by adding the following proviso:

"That the provisions of this act shall not apply to threats to injure the person or the property, business, or occupation of any person, firm, association, or corporation, to intimidation or coercion, or to any acts causing or intended to cause any illegal interference, by overt acts, with the rights of others. Nothing in this act shall exempt from punishment, otherwise than as herein excepted, any person guilty of conspiracy, for which punishment is now provided by any act of Congress, but such act of Congress shall, as to the agreements, combinations, and contracts hereinbefore referred to, be construed as if this act were therein contained." (C. R., p. 2592, Vol. 34.)

The representatives of organized labor vigorously opposed these amendments; and the five Democratic members of the committee supported the position of the labor men, and filed a minority report, in which they said:

"It is clear to our minds that it was never the legislative intent that the Sherman anti-trust law of July 2, 1890, which prohibits contracts and agreements 'in restraint of trade and commerce,' should apply to cooperative efforts of workingmen in contemplation or furtherance of a trade dispute, especially when such efforts, if put forth by a single individual, would not constitute a crime.

"The first amendment proposed by the majority strikes out the words 'Nor shall such agreement, combination, or contract be considered as in restraint of trade or commerce.'

"There is no sufficient reason for striking out these words. They do not say that 'no agreement, combination or contract,' etc., made by employees shall be considered in restraint of trade; but the language is 'no such agreement,' etc.; that is, no agreement, etc., to do an act, etc., which, if done by a single individual, would not constitute a crime. Within that limitation, and that alone, would the acts of employees be taken out of the operation of the Sherman anti-trust law by the pending bill.

"The majority report does not seem to recognize this important distinction.

"We think the words stricken out should remain in the bill.

"The second amendment proposed by the majority is the insertion of the following proviso at the end of the seventh line on the second page.

"*Provided*, That the provisions of this act shall not apply to threat to injure the person or the property, business or occupation of any person, firm or association or corporation, to intimidation or coercion, or to any acts causing or intended to cause any illegal interference by overt acts with the rights of others."

"If we had well-defined meanings for the terms 'threats to injure,' 'intimidations,' 'coercion,' 'acts causing or intended to cause an illegal interference,' etc., there might be no special objection to the purpose

intended by this amendment. But in the absence of such well-defined ideas the effect of this amendment will be either (1) to permit (and even to suggest by implication) such latitude of judicial construction as might negative all the good in the bill, or (2) to encumber the statute with a useless declaration of principles of recognized law." (Cong. Record, p. 2591, vol. 34.)

This report was signed by Messrs. Terry, Clayton, Smith, Fleming and DeArmond.

Speeches were made against the amendments by Messrs. Clayton, Fleming, Ridgely and Terry, and for the amendments by Messrs. Littlefield, Overstreet and Ray.

Mr. Littlefield moved "a suspension of the rules in order to put on its passage the bill with the amendments reported by the committee. (Cong. Record, vol. 34, p. 2589.) And the following members voted for that motion:

Alexander	Curtis	Hopkins	Ray, N. Y.
Bailey, Kan.	Dalzell	Jack	Reeves
Bishop	Dayton	Kerr, Ohio.	Roberts
Bowersock	Emerson	Lacey	Smith, Iowa.
Brick	Esch	Lanham	Spalding
Brosius	Gardner, N. J.	Littlefield	Steele
Brownlow	Gibson	Loudenslager	Stewart, N. Y.
Bull	Graham	Lybrand	Taylor, Ohio.
Burke, S. D.	Hall	Mondell	Van Voorhis
Burkett,	Haugen	Morris	Vreeland
Cannon	Hawley	Mudd	Wright
Capron	Hepburn	O'Grady	Young
Cochrane, N. Y.	Hill	Overstreet	
Crumpacker	Hitt	Payne	

The following members were paired:

Mr. Sherman with Mr. Driggs.
 Mr. Metcalf with Mr. Wheeler, of Kentucky.
 Mr. Henry C. Smith with Mr. Taylor, of Alabama.
 For this day:
 Mr. Eddy with Mr. Carmack.
 Mr. Hull with Mr. Hay.
 Mr. Mann with Mr. Jett.
 Mr. Butler with Mr. Rhea, of Virginia.
 Mr. Dovener with Mr. Polk.
 Mr. Boutell, of Illinois, with Mr. Griggs.
 Mr. Freer with Mr. Elliott.
 Mr. Woods with Mr. Noonan.
 Mr. Cannon with Mr. McRae.
 Mr. Tawney with Mr. De Graffenreid.
 Mr. Loud with Mr. Livingston.
 Mr. Hemenway with Mr. Howard.
 Mr. Weymouth with Mr. King.
 Mr. Kahn with Mr. Cooper, of Texas.
 Mr. Gaston. (Cong. Record, p. 2598, vol. 34.)

The Record shows that Mr. Cannon voted for Littlefield's motion.

Littlefield's motion was defeated by the Democrats, aided by a few Republicans, among whom were Moody, of Massachusetts, now Attorney-General, and Cooper, of Wisconsin.

Nothing further was done in regard to the Ridgely bill in the Fifty-sixth Congress. But early in the Fifty-seventh Congress, Mr. Grosvenor, Republican, of Ohio, introduced one very similar to it, entitled, "a bill to limit the meaning of the word 'conspiracy,' and the use of 'restraining orders and injunctions' in certain cases."

The Grosvenor bill differed from the Ridgely bill only by adding the following clause:

"Nothing in this act shall exempt from punishment, otherwise than as herein excepted, any persons guilty of conspiracy for which punish-

ment is now provided by any act of Congress; but such act of Congress shall, as to the agreements, combinations, and contracts hereinbefore referred to, be construed as if this act were therein contained." This bill was favored by organized labor. It passed the House of Representatives May 2, 1902, without a dissenting voice or vote, as the following extract from the Record of that date shows:

"Mr. RAY, of New York. Mr. Speaker, I call up the bill (H. R. 11060) to limit the meaning of the word 'conspiracy' and the use of 'restraining orders and injunctions' in certain cases.

"The bill was read, as follows:

"*Be it enacted, etc.,* That no agreement, combination or contract by or between two or more persons to do or procure to be done, or not to do or procure not to be done, any act in contemplation or furtherance of any trade dispute between employers and employees in the District of Columbia or in any Territory of the United States, or between employers and employees who may be engaged in trade or commerce between the several States, or between any Territory and another, or between any Territory or Territories and any State or States or the District of Columbia, or with foreign nations, between the District of Columbia and any State or States or foreign nations, shall be deemed criminal, nor shall those engaged therein be indictable or otherwise punishable for the crime of conspiracy, if such act committed by one person would not be punishable as a crime, nor shall such agreement, combination or contract be considered as in restraint of trade or commerce, nor shall any restraining order or injunction be issued with relation thereto. Nothing in this act shall exempt from punishment, otherwise than as herein excepted, any persons guilty of conspiracy for which punishment is now provided by any act of Congress, but such act of Congress shall, as to the agreements, combinations and contracts hereinbefore referred to, be construed as if this act were therein contained.

"Mr. RAY, of New York. Mr. Speaker, if there is no comment desired, I move the previous question.

"The SPEAKER. The gentleman from New York moves the previous question.

"The previous question was ordered; and under the operation thereof the bill was ordered to be engrossed for a third reading; and being engrossed, it was accordingly read the third time and passed.

"On motion of Mr. Ray, of New York, a motion to reconsider the vote by which the bill was passed was laid on the table." (Cong. Record, vol. 35, p. 4995.)

When the bill reached the Senate it was referred to the Judiciary Committee of that body which was at that time composed of Senators Hoar, Platt, of Connecticut, Clark, of Wyoming, Fairbanks, Simon, Nelson, McComas and Depew (Republicans), and Bacon, Pettus, Turner, Culberson and Blackburn (Democrats). On May 23, 1902, Senator Hoar submitted for that committee a favorable report on the Grosvenor bill (H. R. 11060.) (See Senate Report 1650, Fifty-seventh Congress, first session.)

Nothing was done with the bill until June 25, 1902, when its consideration was objected to by Senator Kean (Republican), of New Jersey, and it was postponed indefinitely. (See Cong. Record, p. 7380.)

Only by imputing the vilest treachery to those who voted for it in the House, can it be assumed that they knew in advance that it would be defeated in the Senate, and passed it merely to deceive the labor unions.

In the Fifty-eighth Congress, it was again introduced by Mr. Grosvenor, but it was pigeon-holed by the Judiciary Committee of the House. (See H. R. 6782.)

In the Fifty-ninth Congress the same bill was introduced by Mr. Little, of Arkansas. (See H. R. 4445.) Samuel Gompers, of the American Federation of Labor, Andrew Furuseth, representing the Seamen's Union, and other representatives of organized labor, appeared in advocacy of the bill.

The administration antagonized this bill and favored a bill said to have been prepared by the Attorney-General with the President's approval. This bill is known as the Gilbert bill—H. R. 9328—which is as follows:

“(H. R. 9328, Fifty-ninth Congress, first session.)

A bill to regulate the granting of restraining orders in certain cases.

“BE IT ENACTED BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE UNITED STATES OF AMERICA IN CONGRESS ASSEMBLED, That in cases involving or growing out of labor disputes neither an injunction nor a temporary restraining order shall be granted except upon due notice to the opposite party by the court in term, or by a judge thereof in vacation, after hearing, which may be ex parte if the adverse party does not appear at the time and place ordered: *Provided*, That nothing herein contained shall be held to authorize the issuing of a restraining order or an injunction in any case in which the same is not authorized by existing law.”

One labor representative, Mr. Fuller, advocated the administration bill, but expressed his willingness to have the bill—H. R. 4445—reported favorably by the committee. He did not oppose the latter bill, but thought it better to take one which had the backing of the administration, because such a bill would be most likely to receive respectful consideration from a Republican Congress.

Another bill (H. R. 18171) was introduced by Mr. Pearre (Republican) embodying some extremely radical provisions.

After several hearings, in which various interests took part, the whole matter was postponed until the next session of Congress and those labor representatives, like Gompers, who advocated a measure which had already passed the House unanimously and had been endorsed by all the labor unions of the country, are aggrieved.

The action of Congress on January 26, in passing the bill abrogating the eight-hour law, the alien contract labor law and the Chinese exclusion act as to labor employed in the construction of the Panama Canal, was in defiance of the labor unions of the country. The resolution and vote on that subject will be found under the head of yea-and-nay votes in the House, elsewhere in this volume.

The following document discloses the attitude of organized labor towards those persons whom Mr. Roosevelt in his letter to Representative Watson, describes as the men “responsible for the handling of the present Congress:”

LABOR'S GRIEVANCES.

WASHINGTON, D. C., March 21, 1906.

HON. THEODORE ROOSEVELT,

President of the United States;

HON. WM. P. FRYE,

President pro tempore United States Senate;

HON. JOSEPH G. CANNON,

Speaker House of Representatives, United States.

GENTLEMEN: The undersigned executive council of the American Federation of Labor, and those accompanying us in the presentation of this document, submit to you the subject-matter of the grievances which the workmen of our country feel by reason of the indifferent position which the Congress of the United States has manifested toward the just, reasonable, and necessary measures which have been before it these past several years, and which particularly affect the interests of the working people, as well as by reason of the administrative acts of the executive branches of this Government and the legislation of the Congress relating to these interests. For convenience, the matters of which we complain are briefly stated, and are as follows:

The law commonly known as the "eight-hour law" has been found ineffective and insufficient to accomplish the purpose of its designers and framers. Labor has, since 1894, urged the passage of a law so as to remedy the defects, and for its extension to all work done for or on behalf of the Government. Our efforts have been in vain.

Without hearing of any kind granted to those who are the advocates of the eight-hour law and principle, Congress passed, and the President signed, an appropriation bill containing a rider nullifying the eight-hour law and principle in its application to the greatest public work ever undertaken by our Government, the construction of the Panama Canal.

The eight-hour law in terms provides that those intrusted with the supervision of Government work shall neither require nor permit any violations thereof. The law has been grievously and frequently violated. The violations have been reported to the heads of several Departments, who have refused to take the necessary steps for its enforcement.

While recognizing the necessity for the employment of inmates of our penal institutions, so that they may be self-supporting, labor has urged in vain the enactment of a law that shall safeguard it from the competition of the labor of convicts.

In the interest of all of our people, and in consonance with their almost general demand, we have urged Congress for some tangible relief from the constantly growing evil of induced and undesirable immigration, but without result.

Recognizing the danger of Chinese immigration, and responsive to the demands of the people, Congress years ago enacted an effective Chinese-exclusion law; yet, despite the experience of the people of our own country, as well as those of other countries, the present law is flagrantly violated, and now by act of Congress it is seriously proposed to invalidate that law and reverse the policy.

The partial relief secured by the laws of 1895 and 1898, providing that seamen shall not be compelled to endure involuntary servitude, has been seriously threatened at each succeeding Congress. The petitions to secure for the seamen equal right with all others have been denied, and a disposition shown to extend to other workmen the system of compulsory labor.

Under the guise of a bill to subsidize the shipping industry, a provision is incorporated, and has already passed the Senate, providing for a term of conscription, which would make compulsory naval service a condition precedent to employment on privately owned vessels.

Having in mind the terrible and unnecessary loss of life attending the burning of the *Slocum* in the harbor of New York, the wreck of

the *Rio de Janeiro* at the entrance to the bay of San Francisco, and other disasters on the waters too numerous to mention, in nearly every case the great loss of life was due to the undermanning and the unskilled manning of such vessels, we presented to Congress measures that would, if enacted, so far as human law could do, make impossible the awful loss of life. We have sought this remedy more in the interests of the traveling public than in that of the seamen, but in vain.

Having in mind the constantly increasing evil growing out of the parsimony of corporations, of towing several undermanned and unequipped vessels called "barges" on the high seas, where, in case of storm or stress, they are cut loose to drift or sink and their crews to perish, we have urged the passage of a law that shall forbid the towing of more than one such vessel unless they shall have an equipment and a crew sufficient to manage them when cut loose and sent adrift, but in vain.

The antitrust and interstate commerce laws enacted to protect the people against monopoly in the products of labor and against discrimination in the transportation thereof, have been perverted, so far as the laborers are concerned, so as to invade and violate their personal liberty as guaranteed by the Constitution. Our repeated efforts to obtain redress from Congress have been in vain.

The beneficent writ of injunction, intended to protect property rights has, as used in labor disputes, been perverted so as to attack and destroy personal freedom and in a manner to hold that the employer has some property rights in the labor of the workman. Instead of obtaining the relief which labor has sought, it is seriously threatened with statutory authority for existing judicial usurpation.

The Committee on Labor of the House of Representatives was instituted at the demand of labor to voice its sentiments, to advocate its rights, and to protect its interests. In the past two Congresses this committee has been so organized as to make ineffectual any attempt labor has made for redress. This being the fact in the last Congress, labor requested the Speaker to appoint on the Committee on Labor members who, from their experience, knowledge, and sympathy, would render in this Congress such service as the committee was originally designed to perform. Not only was labor's request ignored, but the hostile make-up of the committee was accentuated.

Recently the President issued an order forbidding any and all Government employees, upon the pain of instant dismissal from the Government service, to petition Congress for any redress of grievances or for any improvement in their condition. Thus the constitutional right of citizens to petition must be surrendered by the Government employee in order that he may obtain or retain his employment.

We present these grievances to your attention because we have long, patiently, and in vain waited for redress. There is not any matter of which we have complained but for which we have in an honorable and lawful manner submitted remedies. The remedies for these grievances proposed by labor are in line with fundamental law, and with the progress and development made necessary by changed industrial conditions.

Labor brings these, its grievances, to your attention because you are the representatives responsible for legislation and for failure of legislation. The toilers come to you as your fellow-citizens who, by reason of their position in life, have not only with all other citizens an equal interest in our country, but the further interest of being the burden-bearers, the wage-earners of America. As labor's representatives we ask you to redress these grievances, for it is in your power so to do.

Labor now appeals to you, and we trust that it may not be in vain. But if perchance you may not heed us, we shall appeal to the conscience and the support of our fellow-citizens.

Very respectfully,

Samuel Gompers, James Duncan, James O'Connell, Max Morris, D. A. Hayes, Daniel J. Keefe, Wm. D. Huber, Joseph F. Valentine, John B. Lennon, Frank Morrison, executive council, American Federation of Labor.—(Cong. Record, July 16, vol. 40, p. 10172.)

See further on this subject the extracts from the messages, addresses and historical writings of Theodore Roosevelt relating to small farmers, mechanics and laborers, and the report of Attorney-General Moody in prosecutions under the anti-trust laws, elsewhere in this volume.

MR. ROOSEVELT ON ORGANIZED LABOR.

He regards representatives of labor unions as members of the "rogue's gallery," "sleek, oily fellows," "bulls of Bashan," "lazy, selfish, brutal, envious, violent, murderous," "a mob."

Mr. Roosevelt has recently issued an executive order requiring the enforcement of the eight-hour law, which has heretofore, under his administration, been a dead letter. The result of the elections in Maine this year and the hostile attitude of organized labor in other States toward its enemies in Congress has driven him against his will to perform a plain statutory obligation. Organized labor so understands it, and the public so understand it.

Mr. Roosevelt's hostility to the labor element is no secret. He has expressed it in his books, in his official utterances and by his acts.

In his book entitled "Ranch Life and Hunting Trail," comparing the Western cowboys with other classes of citizens, Mr. Roosevelt says:

"They are much better fellows and pleasanter companions than small farmers or agricultural laborers; nor are the mechanics and laborers and workmen of a great city to be mentioned in the same breath." (Ranch Life and Hunting Trial, pp. 9 and 10.)

In "American Ideals," referring to a delegation of labor men who appeared before a committee of the New York Legislature, he describes them in his "American Ideals," vol. 1, p. 105, as "the rogue's gallery." One of the labor men who spoke he describes as a "sleek, oily little fellow, with a black moustache, who had never done a stroke of work in his life," and another as "a fellow-professional of another type—a great, burly man who would speak of the Wrongs (with a capital W) of Labor (with a capital L) and bellow as if he had been a 'bull of Bashan.'"

Again he says:

"The men who object to what they style 'government by injunction' are, as regards the essential principles of government, in hearty sympathy with their remote skin-clad ancestors who lived in caves, fought one another with stone-headed axes, and ate the mammoth wooly rhinoceros.

"They are interesting as representing a geological survival, but *they are dangerous* whenever there is the least chance of their making the principles of this ages-buried past living factors in our present life.

"They are not in sympathy with men of good minds and sound civic morality." (Roosevelt's *American Ideals*, Vol. 2, p. 18.)

The following expressions are taken from his annual message of December 5, 1905, in which he dwelt at great length upon the relations of labor and capital:

"There has been a demand for depriving courts of the power to issue injunctions in labor disputes. Such special limitation of the equity powers of our courts would be most unwise." . . .

"We can get justice and right dealing only if we put as of paramount importance the principle of treating a man on his worth as a man rather than with reference to his social position, his occupation, or the class to which he belongs. There are selfish and brutal men in all ranks of life. . . .

"If they are laborers, their selfishness and brutality may take the form of laziness, of sullen envy of the more fortunate, and of willingness to perform deeds of murderous violence . . . and all honest and far-seeing men should join in warring against it, whenever it becomes manifest." . . .

"The downfall of republics has been due to the class spirit, the growth of the spirit which tends to make a man subordinate the welfare of the public, as a whole, to the welfare of the particular class to which he belongs, the substitution of loyalty to a class for loyalty to the nation. . . .

" . . . This government is not, and never shall be, a government by a mob."

The views of the members of the American Federation of Labor on these points will be found in the speeches of Mr. Andrew Furuseth and Mr. Samuel Gompers, reported in the hearing before the committee of the House of Representatives, Fifty-ninth Congress, first session, in relation to anti-injunction and restraining orders. These views are reasonable and just. Mr. Gompers, the president of the American Federation of Labor, having in mind the remarks of the President, said:

"You will observe that the enjoining of men from committing any criminal act, we contend, is an improper exercise of the power of the equity court; yet some of our opponents would have it appear that we favor criminal acts, or that we favor their commission.

"But we contend that the writ of injunction was never intended to be issued to enjoin men from committing any lawful or criminal act; that both our country and our States provide for the apprehension and the trial by a jury of persons who commit such acts to ascertain whether such person has been guilty of a criminal act and to punish him if he is found guilty, and that organized civil society has constituted a police force, large or small, as the circumstances may warrant, for the apprehension and prevention of any criminal act, and that it is hardly fair to put it as has been stated by the opponents of our injunction bill, which your committee reported favorably. But the essence of the opposition and the purpose of the opposition, is clearly manifest. It is to avoid the jury trial."

Mr. Roosevelt has often expressed his contempt for "popular clamor," which is the name by which he calls public sentiment. The only instance on record in which he ever confessed that he could possibly make a mistake was one in which he "weakly

yielded to the popular voice of New York." An account of the affair is found in Will M. Clemens' work, "Roosevelt, the American," at page 37:

Soon after the opening of the session (of the New York Legislature) in 1883, Mr. Roosevelt introduced a bill requiring the New York elevated railroad companies to reduce their fares from ten to five cents. Roosevelt voted for this bill; but soon afterwards on reconsideration defeated it, and, according to Mr. Clemens' account (pp. 38 and 39), said in his speech:

"I have to say *with shame* that when I voted for this bill I did not act as I think I ought to have acted and as I have generally acted on the floor of this House. For the only time I voted here contrary to what I think to be honestly right I did at that time. I have to confess that I *weakly yielded partly to a vindictive feeling* to the infernal thieves who have that railroad in charge, and *partly to the popular voice of New York.*"

But while Mr. Roosevelt confesses with shame that he once, though only once, yielded to the popular voice and opposed the New York railroad ring, he has never confessed that he had any sympathy with the aspirations of organized labor. The workingmen have discovered this and have resented in words on several occasions.

In 1903, the Central Labor Union of Washington, D. C., passed a resolution in relation to the case of W. A. Miller, who had been expelled from the Bookbinders' Union and removed from the Government Printing Office, but had been reinstated in the office by the President in contempt of the adverse petitions of organized labor, in which resolution the Central Labor Union said:

"Whereas, the President of the United States has seen fit to reinstate W. A. Miller, and has also committed himself to the policy of the open shop, the order of the President cannot be regarded in any but an unfriendly light." (Leupp's Roosevelt, p. 239.)

Commenting on this case, Mr. Roosevelt said: "Of course, I will not for one moment submit to dictation by the labor unions" . . . "If these labor union men strike, not one of them will do another stroke of Government work while I am President." (Leupp's Roosevelt, p. 241.)

After quoting these words, Mr. Leupp adds: "The same spirit was shown in the case of the Arizona Mining strike riots in 1903, when the Governor notified the President of the inability of the civil authorities to control the mob. Within thirty minutes of the receipt of this telegram a detachment of United States troops was on its way to the scene of disorder." (Leupp's Roosevelt, p. 241.)

The position of the Democratic party has been the reverse of Mr. Roosevelt's, as will be seen by reference to our chapter on the Democracy and labor.

ROOSEVELT A FREE-TRADER, A TARIFF REFORMER AND A STAND-PATTER—WAS A FREE-TRADER FROM 1881 TO 1885—WAS A TARIFF REFORMER IN 1904—IS A STAND-PATTER IN 1906—MAY LEAD “A MOVEMENT FOR TARIFF REVISION” IN 1908.

The position of President Roosevelt on the tariff question is one of prime importance at this juncture. What that position has been; what it is, and what it will be hereafter—are matters which concern everybody.

Theoretically, at least, Mr. Roosevelt has been a free-trader, and there is no evidence that he has undergone any change in principle. But, in deference to the doctrine of expediency, the doctrine that the end justifies the means, the doctrine that party fealty is superior to political principles, the President has submitted to the dictation of the older leaders of his party, and is at this time upholding the stalwart protectionists. He has accepted for this campaign, only, the “stand-pat” position. His friends give it, however, that he is not sincere; and that, in 1908, he will be alongside of Governor Cummins and Mr. Foss advocating tariff revision.

No better analysis of the President's views on this subject can be found than that which has been given by Mr. Leupp, the present Commissioner of Indian Affairs, who is known to be one of the closest personal and political friends of the President. In 1904, Mr. Leupp wrote a book entitled “The Man Roosevelt,” in which at p. 257 he says:

“In or about the year 1881, Mr. Roosevelt became a member of the Free Trade Club in New York. He found there congenial associations, the club consisting largely of educated young men like himself, full of public spirit and ambition for a share in the world's activities. He remained a member through his entire legislative career.”

“But in 1885, after he had left the legislature, Mr. Roosevelt withdrew from the Free Trade Club, saying that he was ‘a Republican first and free-trader afterwards,’ (Leupp's Roosevelt, p. 259), though in fact he had been a free-trader first.” * * *

Mr. Leupp adds:

“He still remains, however, a *tariff reformer* within Republican lines * * * I do not believe that he would condemn as a heresy the honest belief of a Republican that the party would be better without the protection clause in its creed. I do not think he would resent a Republican proposal to *supplant a prohibitory tariff with a tariff for revenue in which the protective element shall be incidental only.*” (Leupp's Roosevelt, p. 259.)

Finally, Mr. Leupp summarizes his review of Roosevelt's position on the tariff in the following question:

“Is he not committed to a non-political, conservative and well-considered undertaking, in which no special interests shall be favored at the expense of the rest, and none persecuted because they wear an obnoxious title, but in which the whole system shall be treated as if the schedules were made for the people, not the people for the

schedules?" And again: "Does it seem unreasonable to assume that when the disturbance of the elections of 1904 has subsided, we shall see him leading a movement for tariff revision?" (Leupp's Roosevelt, p. 263.)

Mr. Roosevelt placed the stamp of his unqualified approval on these utterances by appointing their author to an office of great dignity and profit. He has never repudiated them; and whoever proclaims himself a follower of Roosevelt proclaims himself a free-trader in principle, a tariff revisionist in the past and for the future, and a stand-patter at present for what is in it.

The President has probably read what the Hon. John Sherman said on the subject—Free Trade:

Every advance toward the free exchange of commodities is an advance in civilization; every obstruction to a free exchange is born of the same narrow, despotic spirit which planted castles upon the Rhine to plunder peaceful commerce; every obstruction to commerce is a tax upon consumption; every facility to a free exchange cheapens commodities, increases trade and population, and promotes civilization.

Mr. Sherman, in 1867, when our customs revenue was nearly \$177,000,000 and our imports about \$379,000,000, said:

"It is therefore simply absurd to talk about free trade, and to talk about a protective tariff is unnecessary, because the wit of man could not possibly frame a tariff that would produce \$140,000,000 in gold without protecting our domestic industries."

In 1883, Samuel J. Randall, a protection Democrat, but not a stand-patter, said:

"In my judgment the question of free trade will not arise practically in this country during our lives, if ever, so long as we have to raise revenues by duties on imports; and therefore the discussion of that principle is an absolute waste of time. After our public debt is paid in full, our expenditures can hardly be much below \$200,000,000, and if this is levied in a business-like way and in an intelligent manner it will afford adequate protection to our industrial interests in the United States."

But the Democratic party is not contending and never has contended for free trade. The Democrats demand a revenue-only tariff and not an "exclusion" or stand-pat tariff.

Secretary Shaw, in his last report, stated this:

"The revenues of the Government from all sources (by warrant) for the fiscal year ending June 30, 1905, were:

"From 'customs,' \$261,798,856.91, and our total 'receipts' from all sources last year were \$697,101,269.95."

He also said that our "outstanding principal of the public debt, June 30, 1905, was \$2,274,615,063.84" and that our "expenditures" during the fiscal year were "\$720,105,498.55," showing "a deficit of \$23,204,228.60."

Senator Allison, in 1870, after stating our obligations to be "annual interest, \$125,000,000; sinking fund required, \$25,000,000," said:

"So that good faith requires at least \$150,000,000 from imports,"

At the same time he demanded tariff reduction, amongst other things saying:

"The practical question is, how shall these duties be proportioned among the various articles imported so as to take out of the pockets of the people the least possible sum over and above the actual amount placed in the Treasury, meanwhile discriminating in favor of articles of necessary consumption, and against articles of voluntary consumption, commonly denominated luxuries?

"Impost duties thus levied, with an annual importation of about \$450,000,000 in value, will certainly require an average rate of duty SUFFICIENT TO GIVE OUR PRODUCERS OF MANUFACTURED PRODUCTS GREATLY THE ADVANTAGE OVER THE MANUFACTURERS OF SIMILAR PRODUCTS IN FOREIGN COUNTRIES."

Surely by the standard of these several high authorities, there is no room for the "exclusions," as Governor Cummins calls the stand-patters, but there is plenty of room for tariff reform along a revenue-only basis.

The Republicans, in effect, admit the tariff should be reformed. But, says Mr. Secretary Shaw, we must refix the tariff after a general election and have a special session called for that purpose. If this is not placing party above tariff reform and above and beyond a tax-ridden, tax-cursed, trust-oppressed people, what is it? But the Republican party has never been a party of the people.

When Mr. Roosevelt was a free-trader, and before he had decided to be a Republican and a free-trader at once, he said:

"Political economists have pretty generally agreed that protection is vicious in theory and harmful in practice; but if the majority of the people in interest wish it, and it affects only themselves, there is no earthly reason why they should not be allowed to try the experiment to their heart's content. The trouble is that it rarely does affect only themselves; and in 1828 the evil was peculiarly aggravated on account of the unequal way in which the proposed law would affect different sections. It purported to benefit the rest of the country, but it undoubtedly worked real injury to the planter States and there is small ground for wonder that the irritation over it should have been intense." (Roosevelt's "Life of Benton," p. 67.)

"In 1828, the tariff, whether it benefited the country as a whole or not, unquestionably harmed the South; and in a Federal Union it is most unwise to pass laws which shall benefit one part of the country to the hurt of another part, when the latter receives no compensation. The *truculent and unyielding attitude of the extreme protectionists* was irritating in the extreme; for cooler men than the South Carolinians might well have been exasperated at such an utterance as that of Henry Clay, when he stated that for the sake of the American system—by which title he was fond of styling a *doctrine already ancient in medieval times*—he would 'defy the South, the President, and the devil.'" (Roosevelt's "Life of Benton," p. 90.)

"Clay's assertions as to what the tariff had done for the West were ill-founded, as Benton showed in a good speech, wherein he described picturesquely enough the industries and general condition of the country, and asserted with truth that its revived prosperity was due to its own resources, entirely independent of Federal aid or legislation. He said: 'I do not think we are indebted to the high tariff for our fertile lands and our navigable rivers; and I am certain we are indebted to these blessings for the prosperity we enjoy.'" (Roosevelt's "Life of Benton," p. 91.)

Mr. Roosevelt has written nothing distinctly and unequivocally stating his position since he withdrew from the Free Trade Club; but it has been given out at Oyster Bay this summer that he is fully in accord with the views of Speaker Cannon and Mr. Sherman, which have been summarized in the language of gamblers and beggars: "Stand pat and pass the hat."

SECRETARY SHAW, THE CONSTITUTION AND THE POWERS OF CONGRESS.

In 1904 when the Democrats in Congress were demanding that the departmental scandals, then so well known and widely prevalent, be investigated, Mr. Secretary Shaw used the following language in one of his speeches:

"IT WOULD BE UNCONSTITUTIONAL FOR CONGRESS TO INVESTIGATE A GOVERNMENT DEPARTMENT."

In other words, any department of the Government may be run as the head of that department may please. The greatest body, the most powerful branch of the Government—Congress—has no right to guard the people's interests in the different branches of the executive arm of the republic. Maladministration may be widespread, corruption oozing from every pore, scandal may be rife, officers of the Government in the pay of the trusts, in a word, anything may be done in a department, and yet Congress is powerless to intervene. The question naturally arises, who has the power? Perhaps Mr. Shaw can answer this, or, forsooth, perchance the Secretary of the Treasury thinks that he is all powerful and responsible to no one.

THE MOTIVE BEHIND THE "BIG STICK."

Expressions of opinion by the President relative to corporations, conquest, overlordship of weaker nations and ship subsidy:

ROOSEVELT FAVORS BIG CORPORATIONS IN PORTO RICO AND THE PHILIPPINES—WOULD MAKE LAWS "ADVANTAGEOUS FOR THEM."

In his annual message of December 5, 1905, Mr. Roosevelt said:

"The fundamental and vital help must be given through the development of the industries of the islands, and a most efficient means to this end is to encourage big American corporations to start industries in them and this means to make it advantageous for them to do so. To limit the ownership of mining claims as has been done in the Philippines is absurd. In both the Philippines and Porto Rico the limit of holdings of land should be largely raised."

Here we have the real motive behind the "big stick" policy. Back of all Mr. Roosevelt's glorification of expansion stand the trusts, the speculators and gamblers, the plunderbund. In the light of this announcement one may easily guess the President's meaning when he appeals to the spirit conquest.

ROOSEVELT ON "THE SHADOW OF OUR DESTINY" AND "EASY INTERNATIONAL MORALITY."

"The shadow of our destiny has already reached the shores of Asia. The might of our people looms large against the world horizon and it will loom ever larger as the years go by." (From President Roosevelt's Memorial Address at Arlington, 1902.)

"The general feeling in the West upon this last subject afterwards crystallized into what became known as the 'Manifest Destiny' idea, which, reduced to its simplest terms, was: that it was our manifest destiny to swallow up the lands of all adjoining nations who were too weak to withstand us; a theory that forthwith obtained immense popularity among all statesmen of easy international morality." (Roosevelt's "Life of Benton," p. 40.)

ROOSEVELT WANTS BIG MILITARY AND NAVAL FORCE, TO INCLUDE SUBSIDIZED MERCHANT MARINE.

In his annual message of December 5, 1905, President Roosevelt said:

"We cannot consider the question of our foreign policy without at the same time treating of the Army and the Navy. We now have a very small army—indeed, one well-nigh infinitesimal when compared with the army of any other large nation."

"Our Navy must, relatively to the navies of other nations, always be of greater size than our army. We have most wisely continued for a number of years to build up our Navy."

"Fast scouts are needed. The main strength of the Navy, however, lies and can only lie in the great battle ships, the heavily armored, heavily gunned vessels which decide the mastery of the seas. Heavy armed cruisers also play a most useful part, and unarmed cruisers, if swift enough, are very useful as scouts."

"To the spread of our trade in peace and the defense of our flag in war a great and prosperous merchant marine is indispensable. We should have ships of our own and seamen of our own to convey our goods to neutral markets, and in case of need to reenforce our battle line. It cannot but be a source of regret and uneasiness to us that the lines of communication with our sister Republics of South America should be chiefly under foreign control. It is not a good thing that American merchants and manufacturers should have to send their goods and letters to South America via Europe if they wish security and dispatch. Even on the Pacific, where our ships have held their own better than on the Atlantic, our merchant flag is now threatened through the liberal aid bestowed by other governments on their own steam lines. I ask your earnest consideration of the report with which the Merchant Marine Commission has followed its long and careful inquiry." (NOTE.—The report favors a ship subsidy.)

In his annual message of December 7, 1903, President Roosevelt said:

"Lines of cargo ships are of even more importance than fast mail lines: save so far as the latter can be depended upon to furnish swift auxiliary cruisers in time of war."

MONROE DOCTRINE PRAISED AND PERVERTED—WHY WE NEED A BIG NAVY—SANTO DOMINGO AND VENEZUELA.

In his last annual message, December 5, 1905, the President says:

"One of the most effective instruments of peace is the Monroe Doctrine. . . .

"It is not of the slightest consequence whether we grant the aid needed by Santo Domingo as an incident to the wise development of the Monroe Doctrine, or because we regard the case of Santo Domingo as standing wholly by itself, and to be treated as such, and not on general principles or with any reference to the Monroe Doctrine. The important point is to give the needed aid, and the case is certainly sufficiently peculiar to deserve to be judged purely on its own merits. The conditions in Santo Domingo have for a number of years grown from bad to worse until a year ago all society was on the verge of dissolution. Fortunately, just at this time a ruler sprang up in Santo Domingo, who, with his colleagues, saw the dangers threatening their country and appealed to the friendship of the only great and powerful neighbor who possessed the power, and, as they hoped, also the will to help them. . . . The previous rulers of Santo Domingo had recklessly incurred debts, and owing to her internal disorders she had ceased to be able to provide means of paying the debts.

"Accordingly the Executive Department of our Government negotiated a treaty under which we are to try to help the Dominican people to straighten out their finances. This treaty is pending before the Senate. In the meantime a temporary arrangement has been made which will last until the Senate has had time to take action upon the treaty. Under this arrangement the Dominican Government has appointed Americans to all the important positions in the customs service, and they are seeing to the honest collection of the revenues, turning over 45 per cent. to the (Dominican) Government for running expenses, and putting the other 55 per cent. into a safe depositary for equitable division in case the treaty be ratified, among the various creditors, whether European or American."

In the same message, he craftily strikes at Venezuela in the interest of the Asphalt Trust, and perverts the Monroe Doctrine, as follows:

"If a republic to the south of us commits a tort against a foreign nation such as an outrage against a citizen of that nation, then the

Monroe Doctrine does not force us to interfere to prevent punishment of the *tort*, save to see that punishment does not assume the form of territorial occupation in any shape. *The case is more difficult when it refers to a contractual obligation. Our own government has always refused to enforce such contractual obligations on behalf of its citizens by an appeal to arms.*" . . .

"We must ourselves undertake to bring about some arrangement by which so much as possible of a just obligation shall be paid." . . .

"There are of course limits to the wrongs which any self-respecting nation can endure. It is always possible that wrong actions toward this nation, or *towards citizens of this nation, in some state unable to secure justice from outsiders, and unwilling to do justice to those outsiders who treat it well, may result in our having to take action to protect our rights.*"

There speaks the natural, unmuzzled Roosevelt, who announced in his Cuban letter:

"If a nation shows how to act with decency in industrial and political matters, if it keeps order and pays its obligations, then it need fear no interference from the United States. Brutal wrongdoing or an impotence which results in a general loosening of the ties of civilized society may finally require intervention by some civilized nation, and in the western hemisphere the United States cannot ignore this duty; but it remains true that our interests and those of our southern neighbors are in reality identical. All that we ask is that they shall govern themselves well and be prosperous and orderly."

(NOTE—See also articles on Santo Domingo and Venezuela elsewhere in this book.)

SOME OF PRESIDENT ROOSEVELT'S INCONSISTENCIES. MATTERS AFFECTING THE PRESIDENT.

He cites the achievements of Jefferson, Monroe and Polk with approval in his letter of acceptance, but denounces those Presidents, their policy and their supporters in his books.

The inconsistencies of Mr. Roosevelt are many, but perhaps the most glaring of them all are found in his references to Presidents Jefferson, Monroe and Polk.

In his letter accepting the Republican nomination for the Vice-Presidency, in 1900, Mr. Roosevelt said:

"In 1803, under President Jefferson, the greatest single stride in expansion that we ever undertook was taken by the purchase of the Louisiana territory. This so-called Louisiana, which included what are now the States of Arkansas, Missouri, Louisiana, Iowa, Minnesota, Kansas, Nebraska, North and South Dakota, Idaho, Montana and a large part of Colorado and Utah, was acquired by treaty and purchase under President Jefferson. . . .

"The next great step in expansion was the acquisition of Florida. This was partly acquired by conquest and partly by purchase, Andrew Jackson being the most prominent figure in the acquisition. It was taken under President Monroe. . . .

"Our next acquisition of territory was that of Texas, secured by treaty after it had been wrested from the Mexicans by the Texans themselves. Then came the acquisition of California, New Mexico, Arizona, Nevada and parts of Colorado and Utah, as the result of the Mexican War supplemented five years later by the Gadsden purchase."

What Mr. Roosevelt says in these passages is entirely true; but in his historical writings he gives no credit to Jefferson, Monroe or Polk for the acquisitions of territory referred to. On the contrary, he directly denies to Jefferson any credit for the acquisition of Louisiana, and denounces Monroe and Polk in unmeasured terms, thus inferentially condemning them for the part they played in our national history, not only in the acquisition of Florida, Texas and the Mexican cession, but in all things.

Of Jefferson he says:

"The men who settled and peopled the Western wilderness were the men who won Louisiana, for it was surrendered by France merely because it was impossible to hold it against the American advance. Jefferson through his agents at Paris, asked only for New Orleans, but Napoleon thrust upon him the great West." (Preface to Roosevelt's "Winning of the West," Part VI, dated May, 1896.)

Of Monroe he says:

"Monroe was an honorable man, with a very unoriginal mind, and he simply reflected the wild, foolish views held by his fellows of the Jeffersonian Democratic-Republican school." (Roosevelt's "Life of G. Morris," pp. 301 and 302.)

"I think he (James Monroe) was as much a failure as his predecessors, and a rasher criticism could not be passed upon him." (Roosevelt's "Naval War of 1812," p. 456.)

Of Polk he says:

"Polk was backed by rabid Southern fire-eaters and slavery extensionists, . . . by the almost solid foreign vote, still unfit for the duties of American citizenship, by the vicious and criminal classes in all the great cities of the North and in New Orleans, by the corrupt politicians, . . . and lastly, he was also backed, indirectly but most powerfully, by the political abolitionists." (Roosevelt's "Life of Benton," p. 291). "The Abolitionists joined hands with Northern roughs and Southern slavocrats to elect the man who was, excepting Tyler, the very smallest of the line of small Presidents who came between Jackson and Lincoln." (Ibid., p. 292.)

Not only did he thus denounce Polk and the men who elected him in bringing under our flag the vast territory which now embraces California, Texas, New Mexico, Arizona, and Nevada, and parts of Utah and Colorado, but he also denounces Winfield Scott, Zachary Taylor and Lewis Cass, who contributed to the success of Polk's administration. According to Roosevelt, the historian,

"Scott and Taylor were not great generals." (Roosevelt's "Life of Benton," p. 268.) "Lewis Cass, a Northern pro-slavery politician of moderate ability." (The same, p. 329.) "Winfield Scott a wholly absurd and flatulent personage." (The same, p. 344.)

Not until he found it necessary to win Democratic support for his policy of imperialism did he ever say a word in praise of any Democratic statesman or any Democratic achievement. Speaking of the founders of the Democratic party in his books, he says that they were "inferior in intelligence"; that their "whole influence was distinctly evil"; that their leaders were "doctrinaire politi-

cians"; that Jefferson was "constitutionally unable to put a proper value on truth"; that General Wilkinson was "a double traitor, bribe-taker and corrupt servant of a foreign government"; that Madison was "a ridiculously incompetent leader"; that Monroe was "a failure"; and that Benton was "afflicted with a rage for the cheap pseudo-classicism of Jefferson."

These libellous and scandalous sayings reflect the true spirit of Theodore Roosevelt. What he now says is said only to win approval for the "big stick" policy, by insinuating that such a policy was really inaugurated by Jefferson, and Monroe, and not by "the big American corporations" which he is serving, and which he seeks to enthrone in the Philippines, Porto Rico, Cuba and Santo Domingo. Even when he tells the truth, he does so in order to disguise an evil purpose, or to justify by precedent a wicked policy. Surely, no one who values sincerity will be influenced by the utterances of Mr. Roosevelt.

MATTERS AFFECTING THE PRESIDENT.

The President favors certain railroads and accepts gifts from them—Violated the interstate commerce law—Demands and receives money for junketing expenses—Authorizes deposits of public money in favored banks without interest—Diverts funds appropriated for one purpose to another—Allows public money to pay for a literary bureau to boom his policy.

Mr. Roosevelt has shown greater regard for the interests of corporations and less regard for the *law* than any other Executive the country has ever had.

In 1901 and 1903, he joined with his partisans in Congress in a series of measures in the interest of the Pennsylvania and Baltimore and Ohio railroads, by means of which those two corporations were given \$3,000,000, in money, besides several million dollars' worth of lands in the City of Washington, and franchises worth at least \$50,000,000. Half of the money thus given came out of the Treasury of the United States and half out of the revenues of the District of Columbia; but neither the United States nor the District of Columbia obtained in return for it any stock or other pecuniary interest in the railroads. Immediately after the conclusion of this deal, which was opposed by the Democrats, the President, as the guest of the Pennsylvania Railroad, the chief beneficiary of the steal, made a tour of the country, which cost \$50,000, all the bills being paid by that corporation.

This matter caused a great deal of discussion in the summer of 1903, and one of the leading newspapers of the country said:

"The discussion about who defrayed the expenses of the trip of the President to the Pacific coast has gone on apace, but with great moderation. A friend representing the President takes up the subject in defense in the New York *Tribune*, and it is an admission that the President has been traveling about the country, with a large party of friends, assistants and clerks, without paying railroad fares and without paying for the costly entertainment provided by the companies in the way of food and refreshment. The defense made by the President is 'that he could hardly be expected to defray the cost of the special train out of his own private purse.' The railroad corporations did that and it amounted to a considerable sum. The only defense

attempted is that the President's predecessors established the custom of 'dead-heading,' or at least some of them did. The New York *Sun* in discussing the question points forcibly to the Federal law on the subject, the latest of which was the President's own corporation and 'publicity' act, signed by him in February last, and which declares:

"Section 3—That whenever the interstate commerce commission shall have reasonable ground for belief that any common carrier is engaged in the carriage of passengers or freight traffic between given points at less than the published rates on file, or is committing any discriminations forbidden by law, a petition may be presented alleging such facts to the Circuit Court of the United States sitting in equity having jurisdiction."

"The same law makes it the duty of the United States district attorneys to prosecute violators of the statute. Some persons are exempted from the penalties of the law, but Federal officials are not. The President is sworn to enforce the law, but in reality he became a party to its violation. It is advised to prevent such scandals that Congress should appropriate money ample to defray the expenses of these electioneering tours, for in reality that is what they amounted to."

There was so much criticism of this affair that the President finally appealed to Congress for an appropriation out of the Treasury to meet his traveling expenses, on the ground that he was unable to pay them himself, and disliked to travel at the expense of the railroads. Congress, in 1906, upon the President's suggestion, and against the protests of the Democratic members of both houses, passed a bill granting him \$25,000 a year to pay the traveling expenses of himself and his invited guests. The arguments and votes on this bill will be found in the Congressional Record for June 20, 21 and 22, 1906. The vote in the House stood, for the bill 176, all Republicans (except Bourke Cockran); against the bill, 66, all Democrats. (Record, p. 9059.) The vote in the Senate stood, for the bill, 42, all Republicans; against it, 20, all Democrats (except McCumber). (Record, p. 9238.)

This bill was clearly in violation of that section of the Constitution which provides that "the President shall at stated times receive for his services a compensation, which," whatever it may be, "*shall neither be increased nor diminished during the period for which he shall have been elected; and he shall not receive within that period any other emolument*"—any gain, perquisite, or advantage arising from, incidental to, or connected with the office of President—"from the United States, or any of them."

THE POLICY OF THE PRESIDENT RELATING TO NATIONAL BANKS AND BANK DEPOSITS.

The Secretary of the Treasury, with the President's approval, has again and again deposited large sums of public money amounting to tens of millions of dollars in favored banks without interest, not for safekeeping merely, but confessedly to benefit the banks; to enable them to buy gold abroad, or to lend money to stock gamblers in Wall Street; thus making the people's treasury an accessory in the wicked game of fleecing the people. This is a violation of the spirit of the law; though it is not expressly prohibited because when the banking law was passed it was inconceivable that such a thing could ever be done under its provisions. The President cannot escape responsibility for this abuse. He

has repeatedly endorsed it, and has asked for power that would allow him to lend all the public money to the banks. In his annual message of December 7, 1903, the President said:

"The same liberty should be granted to the Secretary of the Treasury to deposit customs receipts as is granted him in the deposit of receipts from other sources."

This would enable the banks to handle the entire income of the country without interest. In his annual message of December 5, 1905, he admits that he has adopted measures not authorized by Congress in this respect, but "which should be provided by Congressional action." He says:

"At present the Treasury Department is at irregularly recurring intervals obliged, in the interest of the business world—that is, in the interests of the American public—to try to avert financial crises by providing a remedy, which should be provided by Congressional action."

This policy of pampering favorite banks has caused so much adverse criticism that Secretary Shaw has recently announced that he will lend no more public money to any bank for speculative purposes; but he does not define speculative purposes, and keeps right on lending money to the banks. His announcement is a confession that he has been furnishing Wall Street with the means of rigging the market for years; and the President's utterances prove that it has been done with his sanction.

Again, the President, in 1905, used large sums of public money without authority of law, express or implied, to pay the expenses of a literary bureau located in Washington, which was used to influence public opinion through the press in favor of his personal policy in Panama. This bureau had nothing to do with the actual building of the canal; its only purpose being to laud the President and his wonderful works and to reply to criticisms of conditions *on the Isthmus*.

At its head was a gentleman named Bishop, whose salary of \$10,000 a year was paid out of the public treasury, in spite of the fact that no appropriation had been made for such payments, and that the Spooner act did not authorize any such expenditures. The matter was brought out by an investigation of Panama affairs by the Senate Committee on Interoceanic Canals, and elicited so much unfavorable criticism that the bureau was abolished. But the President still retained Mr. Bishop's services by making him a sort of secretary for the Canal Commission and paying as large a salary as ever.

The provision of the Constitution that "no money shall be drawn from the Treasury but in pursuance of appropriations made by law" has had no weight with the President. He has violated the Constitution, not only in the Bishop case, but in other cases. For instance, Congress appropriated a sum of money to build a new house for the accommodation of the Agricultural Department, and fixed the plan, the limit of cost and the location of the building. But the President changed the plan and location, and

spent all the money on two buildings, or wings, to be connected in the future at two or three times the cost of the work for which Congress had made the appropriation.

By such conduct he proclaims his lack of reverence for law, and his contempt for the legislative authority, and proves himself to be a law unto himself.

PARTY HISTORY ON MONOPOLIES AND TRUSTS.

The principles of the Democratic party defy, and the Democratic party has always opposed monopoly, whether in its old form or the new style, called "trusts." Andrew Jackson hated and crushed the bank monopoly, that, by corrupt means, strenuously sought to control Congress in its efforts to free the people from its crushing and demoralizing machinations.

Jackson approved many bills reducing the tariff, thus avoiding the creation of industrial monopolies. Furthermore, his was the first and last administration to pay off the public debt.

Under the happy influences of revenue tariff and Democratic administration, there were no trusts controlling commerce in or between the States until after the Democratic party went out of power in 1860. Nevertheless, the Democrats have at all times openly defied monopoly, and in 1856, about the very birth of the Republican party, that now stands sponsor for high tariff and trusts, the Democratic party, in its platform *proclaimed* that one of its many high purposes was:

"To sustain and advance among us constitutional liberty by continuing to resist all monopolies and exclusive legislation for the benefit of the few at the expense of the many."

The Democratic party was the first to discover and point out the existence and dangerous operations of the new form of monopoly, called "trusts," and charged that high tariffs bred, sheltered and protected them, and demanded tariff reform, "and the prevention of monopoly."

To this Mr. Carnegie, of armor plate and steel trust fame, replied:

"The public may regard trusts and corporations with serene confidence."

Taking sides with Mr. Carnegie and issue with the Democratic party in his memorable candidacy in 1884 for the Presidency, Mr. Blaine declared:

"Trusts are private affairs with which the people have no concern."

In 1884, Mr. Blaine, in his letter of acceptance, further declared:

"The internal commerce of our 38 States is carried on without let or hindrance, *without tax, detention or governmental interference of any kind whatever*. It spreads *freely* over an area of three and a half million square miles—almost equal in extent to the whole of Europe. Its profits are enjoyed today by 56,000,000 of American freemen, *and from this enjoyment no monopoly is created*.

"According to Alexander Hamilton, when he discussed the same subject in 1790, 'the internal competition which takes place, does away with everything like monopoly, and by degrees reduces the prices of articles to the minimum of a reasonable profit on the capital employed.'

"IT IS IMPOSSIBLE TO POINT TO A SINGLE MONOPOLY IN THE UNITED STATES THAT HAS BEEN CREATED OR FOSTERED BY THE INDUSTRIAL SYSTEM WHICH IS UPHELD BY THE REPUBLICAN PARTY."

Trusts are private! Tariffs do not create or foster them!! Our commerce is free!!! Thus spoke Mr. Blaine. He was defeated, Mr. Cleveland elected and a Democratic House.

The proposition to reach, by congressional action, trusts and combinations engaged in federal commerce was a new and extremely difficult kind of legislation, as shown by the following statements made in debating the trust bills from which evolved the Anti-Trust Act of 1890:

Senator Platt, of Connecticut, said:

"It is very difficult to see that anything can be reached"—under the Commerce Clause of the Constitution. (March 24, 1890, Record, Vol. 21, p. 568.)

On April 8, 1890, Senator Hoar said:

"Senators will remember that this is entering upon a new and untrodden field of legislation. It is undertaking to curb by national authority an evil which, under the opinions which have prevailed of old under all our legislative precedents and policies, has been left to be dealt with either by the ordinary laws of trade or to be dealt with by the State." * * *

Senator Hiscock, March 24, 1890, contended that all the bills were unconstitutional, but of these, he favored the Reagan bill, which "upon its face," said he, "it would afford some relief."

On March 24, 1890, Mr. Sherman said:

"The power of Congress is the only one that can bring all the parties to combinations before a tribunal and have that tribunal pronounce judgment, *not in a criminal suit, but in a civil suit*." (Vol. 21, Record, 2569.)

In the Fiftieth Congress just before this (Fifty-first) Senator Sherman said it could only be done by the taxing power.

Senator Sherman at first opposed a criminal section but after the Senate had voted the Reagan bill, March 25, 1890, into the Sherman bill, he acquiesced.

March 26, 1890, Mr. Sherman had changed. He said:

"The proposition made by the Senator from Texas (Mr. Reagan) is also in the right direction, and, after *careful* consideration of that proposition, there can be no objection to it so far as any one who is in

favor of the principle of the bill is concerned. It adds a criminal clause and defines somewhat the meaning of the words in the original bill. So far so good.

"There are two propositions in it (the bill) of great importance. The amendment of the Senator from Texas (Mr. Reagan) which is now a distinct and separate amendment."

March 25, 1890, Mr. Edmunds said:

"I should not have referred to this matter (failure of Judiciary Committee to report Reagan bill) at all if the Senator from Kansas, to whom I meant no offense, of course, had not alluded to the fact that the substance of this measure, *the best arrangement that had been proposed, in the first instance, that I know of, the bill of the Senator from Texas*, was referred to that committee and had not been reported. That seemed to imply a reproach upon the committee, a neglect of public interests."

On April 8, 1890, Mr. Edmunds, in speaking of Mr. Reagan and the Reagan bill, said:

"Now, I come to the amendment of my friend from Texas (Mr. Reagan). * * * I know he is perfectly earnest about this business and I think he introduced *the best and the first bill upon the subject.*"

Senator Reagan, January 25, 1889, said:

"If we have the power to deal with this subject, it seems to me it must be under the Commerce Clause."

Mr. Turpie:

"There is a bill introduced by the Senator from Texas (Mr. Reagan). It is a most carefully and elaborately prepared bill as far as the penal section is concerned."

Senator Hawley, March 26, 1890—"Nobody from the Committee on Finance has advocated this (Sherman) bill (S. 1) except the distinguished reporter (Mr. Sherman) and perhaps its author. I do not remember that any one else has spoken for it from that committee."

His motion to refer it to the Judiciary Committee was defeated: Yeas 24, nays, 29.

DEMOCRATS FIRST.

The Democrats were first to discover and point out and denounce "trusts." They were first to report on trusts. They were first to introduce anti-trust bills in Congress. They were first to base these bills on the commerce clause where the law now rests. They were first to base these bills on that clause with civil and criminal provisions.

Judge Key (Democrat) tried and decided the first case under the Anti-trust Act of 1890.

Judge Harmon (Democrat) was the first Attorney-General to win a case in the Federal Supreme Court under this law—Trans-Missouri suit. He filed the Joint Traffic and Pipe cases; they were won. These are the three leading cases under the anti-trust law and Judge Peckham (Democrat), Associate Justice, wrote the opinion of the court in these three cases.

DEMOCRATS FIRST TO INTRODUCE ANTI-TRUST BILLS.

The Democrats also introduced the first bill in Congress (Fiftieth) to regulate what is known as Trusts. This fact is shown by Senate Doc. 147, Fifty-second Congress, second session, 1903, prepared by direction of the Attorney-General, who was at that time Mr. P. C. Knox. It contains and is entitled "Bills and Debates in Congress Relating to Trusts, Fiftieth Congress to Fifty-seventh Congress, first session, inclusive. Washington, Government Printing Office, 1903." We must, therefore, presume that Mr. Knox caused to be printed in this document all trust bills introduced in Congress down to and including those in the first session of the Fifty-seventh Congress—1903. The Librarian (Congressional) investigated and finds none were introduced in the Forty-ninth Congress.

List of bills introduced in the Congresses named according to the official date of introduction, as shown by official file numbers. House bills are marked "H. R." and Senate bills "S."

1888—(Fiftieth Congress).

H. R.	6,113.....	Stone (Ky.).....	D.	Jan.	30,	1
H. R.	6,117.....	Rayner	D.	Jan.	30,	2
H. R.	8,036.....	Breckenridge	D.	March	5,	3
H. R.	8,054.....	Thomas	R.	March	5,	4
H. R.	9,449.....	McDonald	D.	April	16,	5
S.	2,906.....	a Teller (I. R.).....		May	10,	6
H. R.	10,049.....	Springer	D.	May	21,	7
H. R.	10,928.....	Springer	D.	July	23,	8
S.	3,440.....	Reagan	D.	Aug.	14,	9
S.	3,445.....	b Sherman	R.	Aug.	14,	10
H. R.	11,213.....	Anderson	D.	Aug.	20,	11
S.	3,476.....	Reagan	D.	Aug.	22,	12
H. R.	11,279.....	Anderson	D.	Aug.	27,	13
H. R.	11,339.....	Newton	D.	Sept.	3,	14
H. R.	11,343.....	Anderson	D.	Sept.	3,	15
S.	3,510.....	Cullom	R.	Sept.	4,	16
H. R.	11,395.....	Henderson (N. C.).....	D.	Sept.	10,	17
H. R.	11,401.....	Culberson	D.	Sept.	10,	18
H. R.	11,534.....	Abbott	D.	Oct.	1,	19

aNow a Democrat.

bIntroduced after the Democrats had filed one of their reports on trusts, July 30, 1888, H. R. 3121, Fiftieth Congress.

1889—(Fifty-first Congress).

S.	1.....	Sherman	R.	Dec.	4,	1
S.	6.....	George	D.	Dec.	4,	2
S.	62.....	Reagan	D.	Dec.	4,	3
H. R.	91.....	McRae	D.	Dec.	18,	4
H. R.	179.....	Stewart (Ga.).....	D.	Dec.	18,	5
H. R.	202.....	Fithian	D.	Dec.	18,	6
H. R.	270.....	Henderson (Ia.).....	R.	Dec.	18,	7
H. R.	286.....	Conger	R.	Dec.	18,	8
H. R.	313.....	Lacey	R.	Dec.	18,	9
H. R.	402.....	Breckenridge	D.	Dec.	18,	10
H. R.	509.....	Anderson	D.	Dec.	18,	11
H. R.	811.....	Enloe	D.	Dec.	18,	12
H. R.	826.....	Richardson	D.	Dec.	18,	13
H. R.	830.....	Pierce	D.	Dec.	18,	14
H. R.	846.....	Stewart (Tex.).....	D.	Dec.	18,	15
H. R.	3,294.....	Breckenridge	D.	Dec.	20,	16
H. R.	3,353.....	Lester	D.	Dec.	20,	17

1890—(Fifty-first Congress).

H. R.	3,819.....	Lane	D.	Jan.	6,	18
H. R.	3,844.....	Perkins	R.	Jan.	6,	19
H. R.	3,925.....	Abbott	D.	Jan.	6,	20
H. R.	3,980.....	Culberson	D.	April	3,	21

(Senate Document 147, Fifty-second Congress, Second Session).

(Bills and debates in Congress relating to trusts, Fiftieth Congress to Fifty-seventh Congress, first session inclusive. Prepared by direction of the Attorney-General, Washington, Government Printing Office, 1905).

This document, in part, shows: That the first trust bill was introduced by Mr. W. J. Stone (Democrat), of Kentucky, January 30, 1888; that the second was by Mr. Rayner (Democrat), of Maryland, on the same day. It was based on the commerce clause. The third was by Mr. Breckenridge (Democrat), of Kentucky, on March 5, while of the fourteen House bills (Fiftieth Congress) only one—the fourth—was introduced by a Republican (Mr. Thomas).

The Sherman bill was tenth of the nineteen bills introduced in that Fiftieth Congress, and the *third* Senate bill Fiftieth Congress, S. 3445, while Mr. Reagan's was second, S. 3440. Both were introduced August 14, 1888.

Mr. Sherman protested against referring the Reagan bill to the Judiciary Committee instead of the Finance Committee, of which he was chairman. The Reagan bill contained a *definition* of a trust and a *criminal* section with heavy penalty, and was based on the *commerce clause*. Hence it was sent to the law or Judiciary Committee. It was the *first* bill in the *Senate* containing a criminal section based on the commerce clause.

The earlier House bills by Stone, Rayner and Breckenridge also contained criminal and civil sections.

The Rayner bill of January 30, 1888, particularly well framed, based on the commerce clause, where the anti-trust act of 1890 was finally based as a result of Democratic efforts—mainly of Reagan and George and Vest as the debates in the Record show.

In objecting, August 14, 1888, to the Reagan bill being sent to the *Judiciary* Committee, Senator Sherman said:

SHERMAN'S PLAN—TAXING POWER ONLY POWER TO REGULATE TRUSTS.

"I wish to say that the Committee on Finance has already been charged with the consideration of this subject. I have myself given some attention to it, to see how far it is within the constitutional power of Congress to so limit trusts and combinations in restraint of trade. IT IS VERY CLEAR THERE IS NO SUCH POWER UNLESS IT IS DERIVED FROM THE POWER OF LEVYING TAXES, THAT IT IS A POWER WHICH MUST BE EXERCISED BY EACH STATE FOR ITSELF. WHETHER SUCH LEGISLATION CAN BE INGRAFTED IN OUR PECULIAR SYSTEM OF GOVERNMENT BY THE NATIONAL AUTHORITY THERE IS SOME DOUBT. IF IT CAN BE DONE AT ALL, IT MUST BE DONE UPON A TARIFF BILL OR UPON A REVENUE BILL. I DO NOT SEE IN WHAT OTHER WAY IT CAN BE DONE. (Record, Vol. 19, Part 8, page 7512.)

Bear in mind the (Sherman) anti-trust law was based on the "commerce clause" of the constitution and not on the "taxing power."

FIRST RESOLUTION IN THE HOUSE TO INVESTIGATE TRUSTS—HOUSE DEMOCRATIC—REPORT MADE. FIFTIETH CONGRESS.

The Democrats were the first (January 25, 1888) to order an investigation of trusts and their operations and report a remedy. They *did* investigate and *did* report, and *this report* was referred

to by Senator Sherman and others as authority in discussing the subject in the Senate (Fifty-first Congress). The committee began work March 8, 1888, and filed a report July 22, 1888, and a final report March 2, 1889, Fiftieth Congress.

HOUSE RESOLUTIONS—FIFTIETH CONGRESS.

The Committee on Manufactures was directed to investigate trusts, their operations, extent, names and number, methods, etc., "and report the same to the House with such recommendations as the said committee may agree upon."

This Democratic committee reported that it had investigated trusts, particularly the Standard Oil Trust, Whiskey Trust, Cotton Bagging Trust and Sugar Trust and submitted over 1,200 pages of testimony on these trusts and stated that many other trusts *were* in existence and were rapidly forming, affecting "a large portion of the important manufacturing and industrial interests of the country." "They do not report any lists of these combinations, for the reason that *new ones* are *constantly forming*, and that old ones are constantly extending their relations so as to cover *new* branches of business and invade new territories." "That owing to present differences of opinion between the members of the committee they limit this report to submitting to the careful consideration and subsequent Congresses the facts shown by the testimony taken before the committee."

A minority report was filed, signed by James Buchanan, a Republican. It reads:

"VIEWS OF THE MINORITY."

"The undersigned deems the record in this case incomplete without the documents hereto annexed as appendices. 'A' is a very *able* review of the authorities bearing upon the LEGALITY of trusts. 'B' is the opinion of Judge Barrett, of the Supreme Court of New York, in the sugar-refining case, discussing the same question. 'C' is the offer by the solicitor of the *Standard Oil Trust* to disprove certain matters in testimony relating to such trust. As these matters appear of record, uncontradicted, it would seem but fair to put upon record the offer to disprove. 'D' and 'E' are submitted as *fair specimens of the CRUDENESS and limited operation of remedies PROPOSED in the measures submitted to the committee.*" (Fiftieth Congress, Second Session, Report 4165, Part 2.)

Exhibit "A" was an ultra pro-trust article by Prof. Theo. W. Dwight, from which is quoted this:

"Let us therefore be calm. Trusts, as a rule, are not dangerous. They are, however, a sign of the times. The right of association is the child of freedom of trade. It is too late to banish it."

A pro-trust argument.

Exhibits "D" and "E" were the first (Stone's) and second (Rayner's) House bills ever introduced in Congress to control trusts. The Stone bill contained a civil and criminal section. The Rayner bill contained a criminal section and prohibited all contracts, etc., in restraint of interstate commerce, and was based on the commerce clause. The Rayner bill blazed the way rightly

to frame such a law and was similar to the bill that became the law, July 2, 1890. It was the pioneer bill in Congress based on the commerce clause. Yet the Republican minority *ridiculed* these bills, showing their love for the trusts and their ignorance of how to outlaw them, and printed pro-trust articles as part of the "views of the minority," while Mr. Buchanan *suggested no bill and introduced none*.

FIRST RESOLUTION TO INVESTIGATE TRUSTS IN THE SENATE—SENATE REPUBLICAN—NO REPORT MADE.

On July 10, 1888, Fiftieth Congress, Mr. Sherman introduced a resolution to investigate and report on trusts and had it referred to the Finance Committee, of which he was chairman. But he made *no* report, and *no* report was made in the *Senate* on that subject. The Senate was Republican. Mr. Sherman had plenary power to act and had the full benefit of the House report, filed July 22, and the many House bills already filed. No excuse is seen for his failure. The bill he introduced he *abandoned*.

SHERMAN RESOLUTION TO INVESTIGATE TRUSTS—NO INVESTIGATION AND NO REPORT.

Here is Senator Sherman's (Fiftieth Congress) resolution of June 10, 1888, to investigate trusts and report a bill to remedy the evil "in connection with any bill raising or reducing revenue":

"Resolved, That the Committee on Finance be directed to inquire into and report, in connection with any bill raising or reducing revenue that may be referred to it, such measures as it may deem expedient to set aside, control, restrain, or prohibit all arrangements, contracts, agreements, trusts, or combinations between persons or corporations, made with a view, or which tend to prevent free and full competition in the production, manufacture, or sale of articles of domestic growth or production, or of the sale of articles imported into the United States, or which, against public policy, are designed to tend or foster monopoly or to artificially advance the cost to the consumer of necessary articles of human life, with such penalties and provisions, and as to corporations, with such forfeitures, as will tend to preserve freedom of trade and production, the natural competition of increasing production, the lowering of prices by such competition, and the full benefit designed by and hitherto conferred by the policy of the Government to protect and encourage American industries by levying duties on imported goods."

Mr. Sherman made no report, but on August 14, 1888, he introduced his *first* anti-trust bill, S. 3445, Fiftieth Congress, entitled, "A BILL TO DECLARE UNLAWFUL TRUSTS AND COMBINATIONS IN RESTRAINT OF TRADE AND PRODUCTION."

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all arrangements, contracts, agreements, trusts, or combinations between persons or corporations made with a view, or which tend, to prevent full and free competition in the production, manufacture, or sale of articles of domestic growth or production, or of the sale of articles imported into the United States, and all arrangements, contracts, agreements, trusts, or combinations between persons or corporations designed, or which tend, to advance the cost to the customer of any such articles,

are hereby declared to be against public policy, unlawful, and void; and any such person or corporation injured or damnified by such arrangement, contract, agreement, trust, or corporation may sue for and recover in any court of the United States of competent jurisdiction double the amount of damages suffered by such person or corporation. And any corporation doing business in the United States that acts or takes part in any such arrangement, contract, agreement, trust, or corporation shall forfeit its corporate franchise; and it shall be the duty of the district attorney of the United States of the district in which such corporations exist or does business to institute the proper proceedings to enforce such forfeiture.

Mr. Sherman reported a substitute for this bill. The Senate considered, amended and debated this substitute and a Republican Senate agreed to adjourn, and did adjourn Congress without passing it or reporting any other trust bill or making any report on the subject of trusts.

FIFTY-FIRST CONGRESS—REPUBLICAN.

A Republican Senate repudiated and refused to pass Mr. Sherman's S. 1, introduced in the Fifty-first Congress. Mr. Sherman admits, as shown herein, in his book, *that none of his bills became the law*.

January 14, 1890, he reported S. 1 *with* amendments. It was ably discussed by Republicans and Democrats. It contained three sections. March 18 he reported, as usual, an "Amendment" in lieu, containing two sections. By March 25, fourteen sections had been added to this substitute, making a bill of sixteen sections. It was otherwise amended before and thereafter.

The Reagan bill was bodily adopted as an amendment to the Sherman bill, S. 1, by the following vote:

VOTE ON REAGAN BILL, MARCH 25, 1890.

AYES—34.

Allen, Pop.	George, Dem.	Moody, Rep.	Vest, Dem.
Allison, Rep.	Gorman, Dem.	Paddok, Rep.	Walthorp, Dem.
Bate, Dem.	Gray, Dem.	Payne, Dem.	Washburn, Rep.
Berry, Dem.	Harris, Dem.	Pierce, Rep.	Wilson, Rep.,
Blackburn, Dem.	Hawley, Rep.	Pugh, Dem.	of Iowa.
Cockrell, Dem.	Higgins, Dem.	Reagan, Dem.	Wilson, Dem.,
Coke, Dem.	Engalls, Rep.	Spooner, Rep.	of Maryland.
Cullom, Rep.	Jones, Dem.,	Teller, Rep.	
Davis, Rep.	of Arkansas.	Turple, Dem.	
Faulkner, Dem.	Mandison, Rep.	Vance, Dem.	

NAYS—12.

Aldrich, Rep.	Frye, Rep.	McPherson, Rep.	Plumb, Rep.
Blair, Rep.	Hlscock, Rep.	Mitchell, Rep.	Sherman, Rep.
Dawes, Rep.	Hoar, Rep.	Morrell, Rep.	Stewart, Rep.

The Reagan bill defined a trust, contained a criminal section, another, making all contracts, etc., in restraint of interstate and foreign commerce unlawful, etc.

Three or four motions were made and defeated to refer the bill, S. 1, *with amendments* to the Judiciary Committee. They were made by Democrats and Republicans, the best lawyers in the Senate. Finally on March 27, 1890, the bill and amendments were referred to the Judiciary Committee, on motion of Mr.

Walthall, *with instructions to report a bill within twenty days*. By a vote of 31 to 28, the bill and amendments were referred to that committee, Mr. Sherman voting "no."

The Judiciary Committee was composed of Senators Edmunds, Evarts, Hoar, Ingalls and Wilson, of Iowa, Republicans, and Senators Vest, Pugh, George and Coke, Democrats. Their unanimous report was filed April 2. This committee reported a new bill, striking out every word of the Sherman bill, including its title, leaving its enacting clause and number "S. 1," which the new bill inherited, of course. The bill passed (this Judiciary Committee bill) the Senate April 8 and finally June 18 and the House finally June 20, 1890, without a dissenting vote and became the law. So none of Mr. Sherman's anti-trust bills in the Fiftieth or Fifty-first Congresses became the law.

Yet we find in and out of Congress the Republicans claim that "John Sherman's anti-trust bill Senate File No. 1" became the law.

The speech of Mr. Secretary Shaw of March 23, 1904, found in the Republican Campaign Book of 1904 at page 192 states this:

"The very first bill introduced in the Senate of the 51st Congress was John Sherman's anti-trust bill Senate File No. 1. It (John Sherman's) passed both Houses and received the signature of Benjamin Harrison."

Mr. Sherman in his book, "Recollections of John Sherman," page 173, flatly contradicts Mr. Shaw. Mr. Sherman says:

"In the previous Congress I had introduced a bill to declare unlawful trusts and combinations in restraint of trade and production, but no action was taken on it. On December 4 I again introduced this bill, it being the first Senate bill introduced in that Congress. It was referred to the Committee on Finance, and having been reported back with amendments I called it up on the 27th of February, etc. . . . I subsequently reported a substitute from the Committee on Finance for the bill and on March 21 I made a long speech in support of it. Various amendments were offered. Subsequently, however, the bill was referred to the Committee on the Judiciary with instructions to report within twenty days. On April 2 Mr. Edmunds, Chairman of that Committee, reported a substitute for the bill, and stated that, while it did not entirely meet his views, he was willing to support it. Mr. Vest, Mr. George and Mr. Coke, members of the Committee, made statements to the same effect. It was passed by the House and after being twice referred to Committees of Conference was finally agreed to, the title having been changed to 'An Act to Protect Trade and Commerce against Unlawful Restraint and Monopoly,' and was approved by the President, June 26, 1890."

Mr. Sherman here admits that his trust bills in the Fiftieth and Fifty-first Congresses failed to become law and yet with the public records before his eyes, with Mr. Sherman's book, presumptively, at least, in his library—*certainly* in the Congressional Library nearby—Mr. Shaw persists in making, along with other Republicans, the untrue and misleading statement that "*John Sherman's* anti-trust bill, Senate file No. 1, passed both houses and received the signature of Benjamin Harrison."

Mr. Spooner, February 21, 1901, in opposing after stating he believed that the Littlefield Anti-Trust bill was "unconstitutional," said:

" . . . There is legislation on the statute books. Our jurisdiction to deal with this question is derived from that clause of the Constitution which gives to Congress the power to regulate commerce among the States, with Indian tribes, and with foreign countries. So far as the power falls within the interstate-commerce clause, a law years ago was drawn *which was intended to exhaust the Federal jurisdiction upon the subject*. I was a member of the Senate at the time. It was committed to the Judiciary Committee, A DEFECTIVE BILL HAVING BEEN INTRODUCED BY MR. SHERMAN. Time was taken in that Committee. Great lawyers were upon that committee who participated in the report. Senator Edmunds was its chairman. The distinguished Senator from Massachusetts (Mr. Hoar), than whom I know no greater lawyer, had to do with the drafting of the bill. Senator George, of Mississippi, who was a great lawyer, participated in that work. That bill was reported to the Senate, and it was intended to be so, and it was so, drawn as to exhaust the Federal jurisdiction upon the subject; and so far as the Supreme Court of the United States has had occasion to deal with it, it has so held, in my opinion.

MORGAN ANTI-TRUST LAW.

Later when the Wilson tariff bill was under discussion here, upon motion, as I recollect it, of the distinguished Senator from Alabama (Mr. Morgan), the same provisions of law adapted to foreign commerce were inserted in that bill and became a law, and when the present tariff law was enacted by an express provision the Morgan amendment to the Wilson bill was continued in force and is *now* the law. I have not found any Senator yet who has been able to point out, in committee or out of it, aside from enlarging the penalties prescribed by the present law, any jurisdiction to go beyond it."

The Senate Judiciary Bill was unanimously reported for passage by the House Judiciary Committee, April 25, 1890, Mr. Culberson (Democrat) making the report. The *next* day, April 26th, Mr. Heard (Democrat) introduced a resolution to make this bill a special order for May 8, and "consider it until passed."

This resolution was defeated, and, on May 1st, the House considered the Senate bill. Mr. Taylor (Republican), Chairman of the House Judiciary Committee, yielded the floor to Mr. Culberson (Democrat) to explain the bill. He did this so well that Mr. Cannon said:

"I want to thank him for his explanation. After the able presentation of it by the gentleman from Texas, there is not much left to say."

-There were grave doubts entertained as to whether the bill applied to railroads, railroad combinations, the "Big Four Beef Trust," being named as one, and to remove all doubt, make the law so *plain* as to leave *nothing* for the courts to *construe*, and thereby have a perfect remedy that could be *swiftly* executed, Mr. Bland (Democrat) offered this as an amendment:

BLAND AMENDMENT.

"(1). Every *contract* or *agreement* entered into for the purpose of *preventing* competition in the sale or purpose of any commodity transported from one State or Territory to be sold in another, or so

contracted to be sold, (2) or for the transportation of persons or property from one State or Territory into another, shall be deemed unlawful within the meaning of this Act; provided, that the contracts herein enumerated shall not be construed to exclude any other contract or agreement declared unlawful in this Act."

"The amendment was adopted." (21, Record, 4104, May 1, 1890.)

Mr. Bland explained his amendment, in part, thus:

"It (his amendment) provides that where the Big Four or any other corporation or company are proven to be in a trust as to any commodity, the moment that commodity *leaves* the State or is to be sold in another and *is in in transitu* it becomes the *subject to this law*. This provision does reach Armour & Co., without *leaving* the matter to the *construction* of the Supreme Court. It does it in direct terms in the law, and I want my friends to join with me to make that *definite and certain*, for there is *no* trust in *this* country that today is *robbing* the *farmers* of the *great West and North* of more millions of their hard earned money *than this so-called Big Four Beef Trust of Chicago*.

AGAINST RAILROAD COMBINATIONS.

"This amendment, however, goes a little further than that, and provides that where there is a *combination* or an *agreement* to combine between *railroad companies* or *transportation companies* for the *transportation* of *persons* or *property* from one State into another, 'a pool,' so to speak, *it is declared to be subject to this bill*. I want *at least two* things to be *known* to be covered by *this bill*, and these *two* are the *most important*: The *transportation monopoly* and the *monopoly* of the *great cattle industry* of *this country*. This amendment *will cover* these two things, but God knows, or no man in this country knows what else the bill will cover.

"I TRUST THE HOUSE WILL ADOPT THE AMENDMENT. THE BILL MAY REACH THE CASE WITHOUT THE AMENDMENT, BUT I FEAR IT WILL NOT, AND FROM ABUNDANT CAUTION I HAVE OFFERED IT." (Record, May 1, 1890.)

His amendment was then UNANIMOUSLY adopted, and the Senate bill, thus amended, passed the House without opposition May 1st, 1890.

CONFERENCE REPORT.

The Senate *amended* the Bland amendment by eliminating its first provision and substituting for the second, this:

SENATE AMENDMENT.

"Every contract or agreement entered into for the purpose of preventing competition in the transportation of persons or property from one State to another or Territory so that the *RATES* of such transportation may be raised above what is just or reasonable shall be deemed unlawful within the meaning of this act, and nothing in this act shall be deemed or held to impair the power of the several States in respect of any of the matter in this act mentioned."

"Statement accompanying report (June 11) of conferees on the disagreeing votes of the two houses on S. 1":

STATEMENT OF CONFEREES.

(1) A majority of the Committee of conference on the part of the House on the disagreeing votes of the two Houses on Senate Bill 1 submit the following statement.

(2) In the *original* bill *two* things were *declared illegal*, namely: Contracts in restraint of interstate trade or commerce, and the monopolization of such trade.

(3) Its *only* object was the control of TRUSTS SO CALLED, so far as *such* combinations in their relation to interstate TRADE are within *reach* of Federal legislation.

(4) The House (Bland) amendment *extends* the *scope* of the *act* to ALL agreements entered into for the *purpose* of *preventing* competition either in the purchase or sale of commodities, or in the TRANSPORTATION of persons or property within the jurisdiction of Congress.

(5) It declares illegal ANY agreement for relief from the *effects* of competition in the *two* industries of TRANSPORTATION and merchandising, however excessive or destructive such competition may be.

(6) The amendment reported by the conferees is the Senate amendment with the added proviso that the power of the States over the subjects embraced in the act shall not be impaired thereby.

(7) It strikes from the House amendment the clause relating to contracts for the purchase of merchandise, and MODIFIES THE TRANSPORTATION CLAUSE by making unlawful agreements which raise RATES above what is just and reasonable.

This conference report prepared by four able lawyers, conferees, shows they construed the *original* bill thus:

"Its ONLY object was the control of TRUSTS, SO CALLED . . . in their relation to interstate *trade*."

"The House AMENDMENT *extends the scope of the act* to all agreements entered into for the purpose of preventing competition, either in the purchase or sale of commodities, or in the TRANSPORTATION of persons or property within the jurisdiction of Congress."

Here is an unfortunate construction, given by these able conferees, to the original bill as applying to "ONLY, trusts, so-called," industrial trusts, and as NOT applying to railroads engaged in the "transportation of persons or property" between the States. These conferees were thus asking Congress to congressionally *construe*, and at the same time *enact*, this bill as applying to and covering *only* industrial trusts, and not as applying to or covering TRANSPORTATION as such, of persons and property between the States.

Later on the Bland and Senate amendments were defeated.

The four judges of the Supreme Court (White, Shiras, Fields and Gray) of the United States, in writing their dissenting opinion in the Trans-Missouri case (first railroad case under this law) allude to THIS construction as showing that CONGRESS did NOT intend the Sherman anti-trust law—the then pending bill—TO APPLY TO RAILROADS.

In each railroad case, under this law, decided by the Supreme Court, the opinions of the court have been by a bare majority as follows:

Trans-Missouri.....	5 to 4
Joint Traffic.....	5 to 3 (one judge not sitting)
Merger Case.....	5 to 4

with *great doubt* raised since the last case as to how two of the judges may hereafter construe this law *in similar cases*.

The result has been to block practically the execution of this law as to railroads, certainly its swift execution. Each case, as a rule, is appealed to and decided by the Supreme Court, *after*

years of delay, and a majority only of the Court and by "construction" hold the law applies to common carriers.

Mr. Bland, with great force, said this would be the result and hence he protested with Mr. Culberson against the Senate amendment and urged at every step the adoption of the Bland amendment.

To adopt the conference report, above given, was to adopt by Congress the *construction* of the original bill given by *conferees*. By *defeating* the conference report, was *defeating* that *construction* and by *adopting* the Bland amendment the bill *as amended*, beyond all doubt, would apply to industrial trusts and railroads engaged in the "transportation of persons and property" between the States.

To adopt the Senate amendment to the Bland amendment, it was argued, was to limit the amendment to railroad "rates," excluding railroads as railroads transporting persons and property and all contracts pertaining thereto, *except* those as to "RATES." The Commerce Act of 1887, then the law, made rates that were unjust or unreasonable unlawful. Hence, the Senate amendment was unnecessary.

Thus the several questions were discussed, and particularly in the House.

ACTION ON REPORT JUNE 12, 1890.

THE HOUSE STANDS BY BLAND AT FIRST—AFTERWARDS DEFEATS HIS AMENDMENT.

The speaker announced at first:

"That the first matter before the House is the conference report which was under consideration yesterday evening. The Clerk will read the title of the bill."

"The Clerk read as follows:

"The Bill S. 1 to protect trade, etc. The question was taken on the adoption of the report; and the speaker announced that he was in doubt as to the result."

"Mr. Stewart. Division. The House divided yeas 25, nays 54.

"Mr. Stewart—No quorum is present.

"The Speaker (after counting)—114 present. Not a quorum.

"Mr. Kerr—I demand the yeas and nays.

"The Speaker—The clerk reports 116 present—a quorum.

"The Speaker—The question recurs on the adoption of the conference report."

"The question was taken. On a division there were yeas 12, nays 115."

"So the conference report was rejected."—(Record, 21, p. 5981, June 12, 1890.)

Stewart (Rep.) made a motion to instruct the conferees to abandon the Bland amendment and ask the Senate to abandon its amendment thereto, and called for the previous question.

Previous question ordered—Yeas, 110, nays, 97; not voting, 120. (21, Record, p. 5982.)

This cut off Mr. Bland from making any amendment or to move to instruct the conferees along his line.

Mr. Bland said: There are two questions embodied in the motion; first, to authorize a new conference which of course we all want; and next, for instructions, that we do not want. (Rec. 5983.)

He did not want the second conferees *instructed* to abandon his amendment which made the law *plain* as applying to beef trusts and railroad combinations.

Mr. Stewart then called for the yeas and nays on and his motion was adopted: Yeas, 106; nays, 98; not voting, 123, "so the motion of Mr. Stewart, of Vermont, was agreed to." (June 12, 1890.) The House conferees were thus instructed to kill the Bland amendment and the Senate amendment thereto. And on June 20th, the conferees—Senator Vest dissenting—insisting on the Bland amendment—reported:

"That both houses recede from their respective amendments."

The conference report being submitted, this occurred:

Mr. Bland—Now, Mr. Speaker, I raise the question of consideration, in order to go to the Speaker's table and take up the silver bill.

Mr. Stewart—On that question I demand the yeas and nays.

The Speaker—The question is: Will the House *now* consider the conference report?

And on that, the gentleman from Vermont demanded the yeas and nays.

The question was taken—yeas, 144; nays, 103; not voting, 80. So the House determined to consider the conference report, which was done.

Mr. Culberson stated that he signed this conference report because the House had instructed him to do so.

"Individually, I thought, the amendment originally made by the House was desirable, but the House having instructed otherwise, I agree to this report in accordance with that instruction."

Mr. Bland—"I regret that the amendment that the House put upon the bill was stricken out; and while I fear the bill in its present shape is not what its friends expect of it, I shall cheerfully vote for it. I raise the question of consideration simply for the purpose of going to the Speaker's table and taking up the silver bill. I am not opposed to the bill itself."

On the adoption of that report and the passage of the bill as it left the Senate the vote was—yeas, 242; nays, 0; not voting, 85, as follows:

HOUSE VOTE ON PASSAGE OF ANTI-TRUST ACT OF JULY 2, 1890.

YEAS—242.

Abbott	Cheadle	Haugen	Moore, Tex.
Adams	Chpman	Hayes	Morey
Alderson	Clements	Haynes	Morrill
Allen, Mich.	Clunie	Heard	Morrow
Anderson, Kan.	Cobb	Hemphill	Morse
Anderson, Miss.	Cogswell	Henderson, Ill.	Mudd
Arnold	Comstock	Henderson, Iowa	Niedringhaus
Atkinson, W. Va.	Conger	Henderson, N. C.	Norton
Baker	Cooper, Ind.	Herbert	Oates
Bankhead	Cothran	Hermann	O'Neill, Ind.
Banks	Cowles	Hill	O'Neill, Mass.
Barnes	Crain	Hitt	O'Neill, Pa.
Bartine	Crips	Holman	Osborne
Beckwith	Culberson, Tex.	Kelley	Owen, Ind.
Belden	Culberson, Pa.	Kennedy	Owens, Ohio
Belknap	Cummings	Kerr, Iowa	Parrett
Bergen	Cutcheon	Ketcham	Paynter
Bingham	Dalzell	Kilgore	Payson
Blanchard	Davidson	Kinsey	Peel
Bland	De Lano	Knapp	Penington

Bliss	Dockery	Lacey	Perkins
Boatner	Dolliver	La Follette	Perry
Boothman	Dunnell	Laidlaw	Pickler
Boutelle	Dunphy	Lane	Post
Bowden	Elliott	Lanham	Pugsley
Breckinridge, Ark	Ellis	Laws	Quinn
Breckinridge, Ky	Enloe	Lee	Raines
Brewer	Evans	Lehlbach	Reed, Iowa
Brickner	Ewart	Lester, Ga.	Reilly
Brookshire	Farquhar	Lester, Va.	Richardson
Brosius	Finley	Lewis	Rife
Brown, J. B.	Fithian	Lind	Robertson
Browne, Va.	Flick	Lodge	Rockwell
Brunner	Flood	Magner	Rowell
Buchanan, N. J.	Forman	Maish	Rowland
Buchanan, Va.	Forney	Mansur	Rush
Buckalew	Fowler	Martin, Ind.	Russell
Bullock	Frank	McAdoo	Sanford
Bunn	Funston	McClammy	Sayers
Burrows	Gear	McClellan	Scull
Burton	Geissenhainer	McComas	Sherman
Butterworth	Gest	McCormick	Shively
Bynum	Gibson	McCreary	Simonds
Caldwell	Gifford	McKenna	Smith, Ill.
Campbell	Goodnight	McKinely	Smith, W. Va.
Candler, Mass.	Greenhalge	McMillin	Smyser
Cannon	Grimes	McRae	Snider
Carlton	Grosvenor	Miles	Spinola
Carter	Hall	Mills	Spooner
Caruth	Hansbrough	Moffitt	Springer
Caswell	Hare	Montgomery	Wike
Stephenson	Sweeney	Vandever	Wilkinson
Stewart, Ga.	Tarsney	Vaux	Wilcox
Stewart, Tex.	Taylor, J. D.	Venable	Williams, Ill.
Stewart, Vt.	Thomas	Walker, Mass.	Williams, O.
Stivers	Tillman	Wallace, N. Y.	Wilson, Ky.
Stockdale	Townsend, Col.	Wheeler, Ala.	Wilson, Mo.
Stone, Ky.	Tracey	Whiting	Wilson, W. Va.
Stone, Mo.	Tucker	Whitthorne	Wright
Strubble	Turney, Ga.	Wickham	
Stump	Turner, Kan.	Moore, N. H.	

NAY—0.

NOT VOTING—85.

Allen, Miss.	DeHaven	Milliken	Stockbridge
Andrew	Dibble	Morgan	Taylor, E. B.
Atkinson, Pa.	Dingley	Mutchler	Taylor, Ill.
Barwig	Dorsey	Nute	Taylor, Tenn.
Bayne	Edmunds	O'Donnell	Thompson
Biggs	Featherstone	O'Ferrall	Townsend, Pa.
Blount	Fitch	Outhwaite	Turner, N. Y.
Brower	Flower	Payne	Van Schaick
Browne, T. M.	Grout	Peters	Waddill
Candler, Ga.	Harmer	Phelan	Wade
Catchings	Hatch	Pierce	Walker, Mo.
Cheatham	Hooker	Price	Wallace, Mass.
Clancy	Hopkins	Quackenbush	Washington
Clark, Wis.	Houk	Randall	Watson
Clarke, Ala.	Kerr, Pa.	Ray	Wheeler, Mich.
Coleman	Lansing	Reyburn	Wiley
Connell	Lawler	Rogers	Wilson, Wash.
Cooper, Ohio	Martin, Tex.	Sawyer	Yardley

(21, Record, p. 6314.)

In the face of this vote—in the face of the official facts, that the Democrats first started the fight against the trusts, and first suggested federal legislation against them, and based their bills on the commerce clause, with civil and criminal sections, made the first and only report on trusts, aided in framing the bill that *became* the law, and first suggested the basis for its frame work, and aided from first to last to frame and pass the existing law, and offered the Bland amendment, which broadened it, agreed to at first by *both* parties in the House—in face of these and other facts heretofore stated, it is now charged the Democrats tried to defeat this legislation on June 20th, 1890, when Mr. Bland raised the question of consideration of the conference report, that completely destroyed the Bland amendment, and left the bill in *great* doubt as to its meaning and as to its application to *railroads* and to the *Beef Trust*. Today we have the Supreme Court split up on the application or non-application of this law to railroads. We still have the Beef Trust, the Standard Oil Trust, the Cotton Bagging Trust and the Whiskey Trust in existence before and at the time when this act of 1890 was passed, all which would have been covered, if the law had been made plain by the Bland amendment, but which the Republicans defeated, thus, indirectly aiding railroad combinations, the Beef Trust and their kind to rob the people.

INJUNCTION SUITS, CRIMINAL PROSECUTIONS AND HABEAS CORPUS PROCEEDINGS BY THE DEFEND- ANTS THEREBY INDICTED, INSTITUTED DURING THE HARRISON ADMINISTRATION UNDER THE ANTI-TRUST ACT OF 1890.

Hon. W. H. H. Miller, Attorney-General, March 5, 1889 to March 6, 1892.

Out of eight opinions rendered by the Federal Court *during* the Harrison administration or *before* Cleveland's term began, March 4, 1893, seven were *adverse* to the Government, one in equity and six indictments, five of which were quashed and five defendants released and in the sixth demurrers were sustained to fourteen out of eighteen counts, with leave granted to file "special demurrers," and finally that case was abandoned during Cleveland's term. Not a single indictment filed during the Harrison administration reached a trial on the facts.

Here is a list of the cases and the decisions of the courts rendered *during* the Harrison administration *before* or March 4, 1893, when Cleveland's second term began.

U. S. vs. Jellico Coal Co. Coal Combination in Tennessee and Kentucky.

Bill filed September 25, 1890. Preliminary injunction refused October 13, 1890, 43 Fed Rept. 898, Hammond, J. Injunction granted June 4, 1891, 46 Fed. Rept. 432, D. M. Key, J.

No appeal taken.

WHISKY TRUST CASES.

GOVERNMENT LOSES EACH AND EVERY CASE.

U. S. vs. Greenhut and others.

Indictment May 1, 1892, quashed May 16, 1892. 50th Rept. P. 469, Nelson, J.

In re Corning (a).

Indictment quashed June 11, 1892. 51 Fed. Rept. P. 205, Ricks, J.

In re Terrell (a).

Indictment quashed in habeas corpus June 28, 1892. 51 Fed. Rept. P. 213, Lacombe, J.

In re Greene (a).

Indictment quashed August 4, 1892. 52 Fed. Rept. P. 104, Jackson, C. J.—(afterwards member of Federal Supreme Court).

U. S. vs. Nelson.

Indictment (Lumber Trust) 1892. Demurrer to all counts sustained. 52 Fed. Rept. 646, October 10, 1892, Nelson J.

(a) The Attorney-General omitted to mention in his recent report to Congress Sen. Doc. 526 of the Corning, Terrell and Greene cases—defendants indicted under the anti-trust law of July 2, 1890.

CASH REGISTER CASE.

U. S. vs. Patterson.

Indictment, 18 counts. Demurrer sustained as to all counts, except 4, 9, 14 and 18, with leave to file "special demurrer." 55 Fed. Rept. 605, February 28, 1893, Putnam, J.

U. S. vs. Knight (Sugar Trust Case).

Injunction *bill* filed May 2, 1892.

LABOR COMBINATION.

U. S. vs. Workingmen's Amalgamated Council of New Orleans.
Bill filed November 10, 1892.

RAILROAD COMBINATION.

U. S. vs. Trans-Missouri Freight Association.

Injunction bill filed *January 6, 1892*. Bill *dismissed* November 28, 1892, the Federal Court (Riner, J.) holding the anti-trust act of July 2, 1890, *did not apply to railroads or railroad combinations*.

SUMMARY:

4 Equity cases filed.

1 Injunction granted. Jellico Case. No appeal.

1 Injunction refused. Bill dismissed. Railroad combination.

1 Not tried. (Sugar Trust Case.)

1 Not decided. Possibly being considered by the Court (*before* March 4, 1893), as the case was *decided* soon thereafter—March 25, 1893, granting an injunction against Workingmen's etc. Council.

(54 Fed. Rept. 994. Affirmed June 13, 1893, 57 Fed. Rept. 85.)

5 Indictments quashed and defendants released.

1 Indictment (Cash Register case). Demurrer sustained as to 14 out of 18 counts, with leave to file "special demurrers"—February 28, 1893. Pending.

Total cases *pending* March 4, 1893, and inherited by Cleveland administration, 3 in equity and 1 indictment, afterwards abandoned.

It is perfectly plain from these indisputable facts, that the Harrison administration signally failed to successfully enforce the Sherman anti-trust law.

Not a single indictment stood the test of habeas corpus proceedings or of demurrer (except one, partially, Cash Register case), *before* the Cleveland administration. In this case, June, 1893 (59th Fed. Rept. 280) on rehearing, the general demurrer and the special demurrer, allowed February 28, 1893, were overruled and answer required. This is the last published report of this case.

Attorney-General Moody states that this case "was allowed to lapse because of the consolidation of the complaining witness with defendants, said witness being in possession of the evidence relied on." It never reached a trial on the facts, nor did any other indictment found *during the Harrison administration*.

Not a single case, under the Harrison administration had been appealed to the Supreme Court, although the law had been enacted over two years and seven months, *before* the Cleveland term began March 4, 1893. As yet, *no one* knew what construction that court of last resort would put on the law in either equity or criminal cases.

The District Court (Riner, J.) had held the law did *not* apply to *railroads or railroad combinations*—a very important case and decision—while four or five Federal judges had quashed the different indictments found as "insufficient" and otherwise fatally defective, each judge in his construction of the law differing, more or less, with the other judges.

INCOMPETENT COUNSEL FOR GOVERNMENT—UNDER HARRISON ADMINISTRATION.

In the Greenhut case, Nelson, J., said:

"The indictment in this particular (having stated it) is *clearly insufficient*, according to the *elementary rules of criminal pleading* and charges no offense within the second section of the statute." Indictment quashed.

In the lumber trust case, the court said the *indictment* failed to state "the facts constituting the offense." Case dismissed.

With more than six, nearly seven, cases out of eight, decided against the Government, *with the Supreme Court yet to construe the meaning of the law*, the Cleveland administration must have been naturally and inevitably much embarrassed in knowing how to successfully proceed under this trust law, and particularly in *new cases*, equity or criminal.

Thus confronted, the Attorney-General proceeded, in due course, to get *the Supreme Court to construe the law*. The all-important, old and *pending* sugar trust and railroad cases, which had been filed by Attorney-General Miller were carried to the higher court.

SUGAR TRUST CASE.

The bill in the sugar trust case was dismissed by every court that tried it, as the official reports of the case show:

U. S. vs. Knight (Sugar Trust).

Injunction bill *filed May 2, 1892*. (Harrison administration.) Bill dismissed January 30, 1894. Butler, J. Decree affirmed by Circuit Court of Appeals (Atcheson, Dallas and Greene, JJ., March 25, 1894). Judgment affirmed by Federal Supreme Court January 21, 1895, 156 U. S. Rept. P. 1. Harlan, J., dissenting.

The cause of this unhappy result in this case is thus explained by ex-Senator Edmunds:

"If the famous Knight case had been instituted and carried forward with suitable allegations of the precise nature and history of the Knight affair, and had been supported, as it could have been, by adequate proof of the facts it set forth, I believe the Supreme Court of the United States would not have had the least difficulty in preventing the carrying on of the combination under consideration, and putting an end to it, as it can still do with similar ones. The bill of complaint in the case was unhappily not drawn in such a way as to present the question which now so much commands just public concern. What is needed is not so much more legislation as competent and earnest administration of the laws that exist."—(Senator Edmunds' letter, June 2, 1903, to Mr. John A. Scheicher, 110 Fifth Avenue, New York, N. Y.)

Senator Edmunds, as chairman of the Senate Judiciary Committee, aided in the preparation of and reported in 1890 the anti-trust act of July 2, 1890, the so-called Sherman law.

The criticism of Judge Edmunds, of the Attorney-General (Hon. W. H. H. Miller) under the Harrison administration, is in keeping with and supported by the remarks of the court in the

Greenhut and Nelson cases, already quoted. But whether Judge Edmunds is correct in his criticism or not, the fact remains that the unfortunate results finally had in the sugar trust case did more to mystify the meaning and application of the anti-trust law of July 2, 1890, and block its enforcement than any decision rendered under that statute. But the Democratic administration did not remain idle in these cases and was not deterred by the resulting adverse and discouraging conditions surrounding the administration or meaning of this law.

Attorney-General Harmon (Cleveland administration) next pressed the Trans-Missouri (Railroad Combination) case to the higher courts, with the following results:

U. S. VS. TRANS-MISSOURI FREIGHT ASSOCIATION.

Circuit Court of Appeals (Sanborn and Thayer, Sharis, dissenting), October 2, 1893, *affirmed* the decision of Judge Riner (November 28, 1892), construing the Sherman Anti-trust law as *not applicable to railroads*. An appeal was taken and the case argued December 8 and 9, 1896, by Attorney-General Harmon in the Supreme Court, and March 22, 1897, that Court (Fuller, Peckham, Harlan, Brown and Brewer) *reversed* the decisions of the lower courts (Sharis, Fields, White, Gray, dissenting), and held that the law *did apply to railroads and railroad combinations, and perpetually enjoined the defendants*.

Previous to the trial in this case the Supreme Court, this combination had voluntarily dissolved, and for that reason defendants insisted in the Supreme Court, that the bill should be *dismissed*, thus raising an important *jurisdictional* question. But the Court repudiated this contention and enjoined the defendants from forming future combinations contrary to the statute.

Thus, two important questions under the Anti-Trust law were, for the first time, settled in this case, to wit:

First, That the law applied to railroads and railroad combinations.

Second, That jurisdiction is not lost in such cases, although the unlawful combination assailed dissolves before the trial in the Supreme Court.

This is the first case won in the *Supreme Court by the Government under this law*. It was the first construction of the law by this court holding that the law applied to railroads. It is the leading case and has since been followed by the Supreme Court and of course by the lower courts.

This was also a great victory for Judge Harmon, the Cleveland administration and the people.

Since the Supreme Court had only by a bare majority (5 to 4) and also by reversing the District Court and the Circuit Court of Appeals held that this trust law *did* apply to common carriers, the railroads in New York formed another railroad combination, "the Joint Traffic Association," and it is said, by high authority, they did so for the sole purpose of trying to get the Supreme Court to *reverse* its construction of the law in the Trans-Missouri case, holding this law *applied to railroads*.

As soon as this New York Association was formed, Judge Harmon promptly (January 8, 1896) filed an injunction bill against it. Both the lower federal courts dismissed the bill. An appeal was taken and the Supreme Court of the United States *reversed* the lower courts and *reaffirmed*, October 24, 1898, its former construction of the law and enjoined and presumably

broke up this, a *second*, railroad combination. But the Supreme Court in this decision was *again* divided, this time 5 to 3, Mr. Justice McKenna (who had succeeded Judge Gray) not sitting.

PIPE TRUST CASE FILED.

Judge Harmon filed, December 10, 1896, an injunction bill against a huge pipe trust in Tennessee. The District Court dismissed the bill, but the Circuit Court of Appeals reversed this decision, finding a trust existed and holding the law applied also to *industrial* combinations. This judgment was affirmed December 4, 1899, by the Supreme Court, all the judges agreeing, except Judge Harlan, who dissented on one point.

Judge Peckham wrote the opinion of the court in the Trans-Missouri, Joint Traffic and Pipe cases. In the Pipe case, the court cited the Missouri and Joint Traffic cases and *reaffirmed* the *construction of the law given in those cases*. These three cases were also cited in the recent Merger case—a railroad combination—and the construction of the law made in these three cases was again reannounced and followed—but again by a 5 to 4 decision.

Attorney-General Harmon was most fortunate in instituting the pipe trust case, for more reasons than one.

In that case the court explained the unfortunate sugar trust case decision, as holding that, Congress could not control (under the Commerce Clause) the pure and simple “manufacture” of products, *thus opening the way around that decision*, for the vigorous enforcement of this law.

The court in the Pipe case (December, 1890) held that Congress *could* and Congress *had* in the trust law of 1890 “prohibited” “every” contract, agreement, combination or monopoly which even tended directly to restrain interstate or foreign *commerce*. The opinion was sweeping, clear and clean cut.

HENCEFORWARD, THE TRUST ACT OF JULY, 1890, IS PERFECTLY CLEAR AS APPLYING TO INDUSTRIAL COMBINATIONS. HENCEFORWARD, NO EXCUSE FOR LACK OF KNOWLEDGE ABOUT WHAT THE LAW DID. THE COURTS, BY CONSTRUCTION, HAVE SETTLED THAT. IT APPLIES TO BOTH COMMON CARRIERS AND INDUSTRIAL COMBINATIONS.

The Trans-Missouri case (a railroad combination) was *begun* in the Harrison and *ended* in the Cleveland administration. The Joint Traffic (railroad combination) and pipe (industrial combination) cases were *begun* in the Cleveland and finally *decided* in the McKinley administration. Hence, *neither* the McKinley or *Roosevelt* administrations are to be excused for failing to repress trusts outlawed by this statute. The way and law are clear.

With the law now settled as to railroad and industrial combinations, the Department of Justice complained *about the lack of money, officers, agents and machinery to execute the law*. Congress supplied all this over three years ago. Judge Bartlett (Democrat) on the floor of the House was first to propose an amendment to an appropriation bill—reported by the Republicans

without such an appropriation—giving the Department of Justice \$250,000 to be *exclusively* used by that Department *in executing this law*. Whereupon Mr. Hepburn (Republican) breaking silence, promptly proposed an amendment to the Bartlett amendment by appropriating \$500,000, which was immediately done, and the cash made available.

This proved to be more money than the Department could use or did use in the manner *it* executed the law. Congress, therefore, diverted a part of this fund to the use of the Interstate Commission.

Attorney-General Knox used a large amount of it to rush through to the Supreme Court the Merger case. He had it appealed and filed in that Court by May 11, 1903. On May 18, 1903, he filed a petition and asked the court to advance this case on the docket because of "preeminent public importance" and it was set for hearing December 14-15, 1903. It was then heard and shortly thereafter decided, and the defendant railroad combination was enjoined, but the defendant—millionaires—were never indicted, yet the Democrats insisted that they be treated like any other law defying persons—indicted.

But Mr. Knox left the beef trust case behind. It dragged its weary way to the Supreme Court and that Court affirmed the lower court enjoining this trust. But the beef trust disobeyed the injunction—as expected.

The Democrats demanded that it and its members be indicted. They were indicted, *but the case was not tried on its merits*. It was tried on the *pleadings*, and the members of this trust were acquitted and discharged by the court—given an "immunity bath." The defendant corporation *only* was fined, the Court held that a *corporation* could not claim *immunity* under the statute, following a recent decision in the tobacco trust case. *The tobacco case grew out of investigations begun by the tobacco growers of Tennessee and Kentucky and their friends*, who appealed to the Department of Justice over two years ago—when Mr. Knox was Attorney-General—to investigate this trust, which Mr. Knox did not do, *but which Attorney-General Moody did do*, with the result that a *branch* of the tobacco trust was indicted in the city of New York, and other proceedings are being had to overcome and break up this trust.

It is true that the Roosevelt administration, more than any other, has enforced the anti-trust law, but this has been done during the administration of Attorney-General Moody and not when Mr. Knox was Attorney-General, and after Mr. Roosevelt's administration had been fully and perfectly equipped by Congress to execute the law—previous administrations had not been.

Complying with the imperative demand of the people and the *ancient and continuous* entreaties of the Democrats in Congress—as the Record will show—the second Roosevelt administration has insisted on and has caused indictments to be found against certain trusts, but the administration, *it is recently reported*, proposes to fine the guilty *corporations* (which cannot be imprisoned) while the lawless individuals, members of the trusts, who *can* be both fined and *imprisoned*, are to be *only fined*. These

creatures are to go free, who have so long *defied* the law, disobeyed injunctions, put up prices on the defenseless people, restricted their liberties and dealt out to the people just so much to eat and so much to wear, at the trust-fixed price.

The Democrats demand, and the people expect, that every man, whether rich or poor, who disobeys this trust law, shall be fined and imprisoned. The Democrats were first to suggest a criminal section to this law. They have from first to last demanded that both the equity and criminal sections be enforced and particularly the criminal section. An injunction can be and is disobeyed. But the prison cells around the guilty man compels obedience and prevents him for the time being from continuing this career as an outlaw *on the outside of the prison*.

The law was new and undefined during the Harrison administration. That administration had no special fund for officers or agents, etc., to enforce the law. The law was not only new and *undefined* when the Cleveland administration began as shown, but the *decisions* of the lower courts, and particularly the decision in the Greene case by Circuit Judge Jackson and the railroad case by Riner, J., had been *against the Government*.

The Cleveland administration had no special fund, officers, etc., to enforce the law. But, as shown, the Democrats had the Supreme Court to *define the law* in the two railroad cases and the pipe case, and also filed other suits unnecessary to mention here.

Under the McKinley administration the *way was clear*. The law was well understood after the pipe case—1897. The law of course has been fully understood during the Roosevelt administrations, because of these and other decisions previous to his term. And in addition to this, all the money and machinery that the Department of Justice called for was given to the Roosevelt administration to enforce the law, *which in the meantime was broadened and otherwise made more drastic and powerful*.

There is absolutely no excuse for not, long before this, wiping out the one hundred and fifty or more lawless trusts that were several years ago shown officially to be in actual offensive existence.

The people and Democrats in Congress loudly complained against trusts and the non-enforcement of the trust laws by Attorney-General Griggs during the McKinley administration. The Democrats demanded the execution of existing law, claiming it was sufficient if vigorously executed.

About this time the New York World addressed a letter on the subject to Senator Sherman and on October 3, 1898, Mr. Sherman, over his own signature, replied:

"The anti-trust law is valid and sufficient. If an attorney-general and court could be brought to enforce it, relief to the people would at once be had."

Ex-Senator Edmunds spoke with great force on the subject and said the existing law *ONLY* needed to be enforced.

THE SHERMAN BILL WAS NOT PASSED.

AIKEN, S. C., June 2, 1903.

DEAR SIR:

Yours of the 27th ult. has reached me here. The statement of Senator Vest contained in the slip you inclose is correct. I have not the Congressional Record or the Senate files to refer to, but I am sure on looking them up you will find that the bill reported by Mr. Sherman from the Finance Committee was *not* the one *passed* by Congress, but that the one *passed* by Congress was reported by the *Judiciary Committee* to which the *Sherman bill*, after it was reported from the Finance Committee and discussed and probably more or less amended, *was referred* for consideration; and that the bill reported by the Judiciary Committee and *passed* was, in every essential respect, *entirely different from the Sherman bill, and was purely a substitute for it.*

The Judiciary Committee was, I think, unanimously of the opinion that the bill it reported was, in respect of its general scope, an exercise of the whole constitutional power of Congress, which could only legislate for the freedom and regulation of commerce with foreign nations and among the several states; and I am of the same opinion still.

ONLY DIFFICULTY IS NON-ENFORCEMENT.

The only difficulty with the bill we reported and which became the law, was the want of administration—that is to say, that the law was and is entirely capable of putting an end to such so-called trusts and such combinations as interfere with or restrain commerce among the states, etc., of the officers of the Government, having charge of the enforcement of law, understand their duty and are willing to do it, being, of course, supplied with the sufficient means to put it into force.

NEGLIGENCE OF ATTORNEY-GENERAL MILLER LOST
SUGAR TRUST CASE.

If the famous Knight case had been instituted and carried forward with suitable allegations of the precise nature and history of the Knight affair, and had been supported, as it could have been, by adequate proof of the facts it set forth, I believe the Supreme Court of the United States would not have had the least difficulty in preventing the carrying on of the combination under consideration, and putting an end to it, as it can still do with similar ones. The bill of complaint in the case was unhappily not drawn in such a way as to present the question which now so much commands just public concern.

What is needed is not, so much, more legislation as competent and earnest administration of the laws that exist. I have no doubt that the present Attorney-General and his very able assistant will find easy means, if supplied with the necessary funds, to arrest the progress and undo the mischievous work of such great and injurious combinations as have so largely come into existence.

(Signed) Very truly yours,

GEO. F. EDMUNDS.

John A. Sleicher, Esq.,

110 Fifth Avenue, New York, N. Y.

While the Democrats were urging the enforcement of existing anti-trust laws, both by injunction and indictment, the Republicans were keeping company with the trusts by proposing a constitutional amendment in effect delay. The Democrats voted against the proposed amendment, Fifty-seventh Congress, because unnecessary, Congress already having sufficient power. They

tried to amend but voted for the Littlefield anti-trust bill, but even this the Republican Senate killed, Senators Hoar and Spooner vigorously opposing it on constitutional and other grounds. Senator Jones (Democrat) was defeated in his motion to take up and consider the Littlefield bill; the Republicans voting "nay."

Even President Roosevelt undertook to chloroform public opinion and defer the vigorous enforcement of existing laws by himself in many speeches, and notably at Fitchburg, Mass., September 2, 1902, urging a constitutional amendment, giving Congress more power to overcome the trusts and destroy the rights of the states. As reported by the Associated Press, and published in the *Chicago Record Herald*, September 3, 1902, President Roosevelt at Litchfield, Mass., said:

PRESIDENT ROOSEVELT WANTED TO AMEND THE CONSTITUTION.

"I believe something can be done by national legislation. When I state that I ask you to note my words, I say I believe. It is not in my power to say I know. When I talk to you of my own executive duties I can tell you definitely what will and what will not be done. When I speak of the actions of anyone else I can only say that I believe something more can be done by national legislation. I believe it will be done. I think we can get laws which will measurably increase the power of the Federal Government over corporations; but, gentlemen, I believe firmly that in the end there will have to be an amendment to the Constitution of the nation conferring additional power upon the Federal Government to deal with corporations. To get that will be a matter of difficulty and a matter of time."

This, of course, meant delay, delay, delay.

PROSECUTING THE TRUSTS—CORPORATIONS GET OFF WITH SMALL FINES.

COMMENTS ON ATTORNEY-GENERAL'S REPORT.

The report of the Attorney-General (Senate Document, No. 526) shows that during Roosevelt's administration five indictments have been procured under the act of July 2, 1890, the Sherman anti-trust law. In one of these cases, *U. S. vs. Federal Salt Company*, there was a conviction, and the company was fined \$1,000.

In another case, *U. S. vs. Armour & Co., et al.*, several corporations and their agents and officers were indicted July 1, 1905. The defendants interposed pleas of immunity in bar, and these pleas were sustained by the court as to the individual defendants but overruled as to the corporations. (Report, p. 9.)

The case of *U. S. vs. Virginia-Carolina Chemical Company, et al.*, is an indictment found May 25, 1906, against 31 corporations and 25 individuals engaged in the fertilizer business in the Southern States, charged with conspiracy to violate Section 5440, *U. S. Revised Statutes* (the anti-trust law of 1890). It is still pending. (Report, p. 9.)

An indictment was procured in June last, against several lumber companies for violation of the same law, and is still pending. No individuals indicted. Case still pending. (Report, p. 9.)

In June also an indictment was procured under the same law against members of the liquorice division of the tobacco trust (U. S. vs. McAndrews & Forbes Co., et al.) It is still pending. The tobacco growers of Tennessee and Kentucky nearly three years since began this investigation.

Under the act of 1890, therefore, there was only one conviction; a plea in bar has been sustained in one case, and three cases are pending, according to Mr. Moody's report.

Two of the injunction bills were filed in our outlying territory—Hawaii and Alaska.

Under the act to regulate commerce (act of 1887) as amended, there have been six indictments, five of which were *not-prossed* and one dismissed. (Report, p. 19.)

Under the Elkins act approved February 19, 1903, there have been 11 indictments for receiving rebates; 19 for granting rebates; 5 for conspiracy to obtain rebates. This act prohibits imprisonment for granting or receiving rebates, but not for conspiracy to violate that act and the act of 1887 to regulate commerce. Only the five indictments for conspiracy, therefore, involve punishment by imprisonment. These were all for *conspiracy to receive* rebates, and were, of course, against individuals. In three of these cases there were convictions. In U. S. vs. Weil, et. al., the defendants severally pleaded guilty and were sentenced to pay fines aggregating \$25,000 and to imprisonment. In U. S. vs. Thomas & Taggart, defendants, were convicted and sentenced to fine and imprisonment. In U. S. vs. Price & Wells, defendants, were convicted and fined, but not imprisoned. (Report, p. 17.)



THE PROSECUTION OF THE TRUSTS.

A RECORD OF MASTERLY INEFFICIENCY.

On the 29th of June, 1906, Attorney-General Moody, in compliance with a resolution of the Senate, submitted a statement of all suits instituted by the Department of Justice under the Sherman anti-trust law, the Interstate Commerce law and the so-called "Elkins law," and the disposition made of such suits, etc. (See Senate Document No. 526, Fifty-ninth Congress, first session.)

This report contains 26 pages, but on page 19, there is a summary which shows in a general way what has been accomplished with all the fuss and expense attending the pretended prosecution of the trusts under the act to regulate commerce, as amended, and the Elkins act.

"SUMMARY.

"CASES UNDER ACT TO REGULATE COMMERCE.

"President Cleveland's first Administration, 1885-1889.—One indictment for giving rebates: Nol-prossed.

"President Harrison's Administration, 1889-1893.—Thirteen indictments for charging less than tariff rates: 2 convictions as to one defendant: nol-prossed as to others. In one case defendant fined \$3,000; in the other defendant fined \$1 and costs; 7 nol-prossed; 1 acquittal; 2 quashed; 1 dismissed. One indictment for prejudice in transporting goods: Quashed. Four indictments for failure to post tariffs: 2 nol-prossed; 2 quashed.

"Two indictments for false weighing, 2 convictions—defendant in one case fined \$100 on each count, in the other two, defendants each fined \$2,000 and sentenced to prison for 18 months; both pardoned; 1 indictment for selling tickets at less than tariff rates, acquitted; 2 indictments for false billing, 1 conviction—defendant fined \$100; 1 nol-prossed; 10 indictments for inducing and conspiring to discriminate, 6 nol-prossed, 2 acquitted, 2 quashed; 2 indictments for giving rebates, 1 nol-prossed as to one defendant, other defendant acquitted, 1 nol-prossed.

"Total: thirty-five indictments, 5 convictions, 18 nol-prossed, 7 quashed, 1 dismissed, 4 acquitted.

"Ten petitions to enforce orders of Commission, 7 dismissed, 1 case discontinued, 1 pending, 1 granted; 2 proceedings to compel witness to testify before grand jury dismissed.

"President Cleveland's second Administration, 1893-1897.—One indictment for discrimination in sale of tickets, dismissed; 4 indictments for charging less than tariff rates, 1 conviction as to one and nol-prossed as to other defendant; 3 convictions, 1 case defendant fined \$1,000; 1 case, two defendants each fined \$4,000; 1 case two defendants each fined \$50; 1 case defendant fined costs; 5 indictments for giving rebates, 3 nol-prossed, 1 acquitted as to one, nol-prossed as to other defendants; 1 conviction, defendant fined \$500; 3 indictments for inducing to discriminate, all quashed; 4 indictments for false billing, 1 defendant convicted and other acquitted; convicted party fined \$350; 3 nol-prossed; 2 indictments for issuing free passes, both quashed.

"Total: Nineteen indictments, 6 convictions, 1 dismissal, 8 nol-prossed, 3 quashed, 1 acquitted.

"Seventeen petitions to enforce orders of Commission; 11 dismissed, 3 discontinued, 1 modified order of Commission complied with and case dismissed, 1 order complied with and case discontinued, 1 pend-

ing. One original petition to restrain defendants from making discriminatory rates dismissed; 1 prosecution for contempt to compel witness to testify, defendant convicted, application for habeas corpus denied; 64 petitions for mandamus to compel filing of annual reports; 2 dismissed, 1 granted, 61 discontinued because carriers agreed to comply.

**"PRESIDENT McKINLEY'S ADMINISTRATION, 1897-1901.
(September 14).**

"Twelve indictments for giving rebates, against same parties, not prosecuted; 2 indictments for departure from published rates; in both cases 1 defendant convicted—nol-prossed as to other; in both cases fined \$350; 3 indictments for false billing, 1 nol-prossed, 1 conviction, defendant fined \$1,000, 1 acquittal; 1 indictment for conspiracy, nol-prossed; 1 indictment for obstructing administration of act, conviction, defendant fined \$500; 3 indictments for false weighing, 1 conviction as to one defendant, fined \$1,000, nol-prossed as to others, 2 nol-prossed.

"Total: Twenty-two indictments, 5 convictions, 1 acquittal, 4 nol-prossed, 12 not prosecuted; 5 petitions to enforce orders of commission, 3 dismissed, 1 discontinued, 1 granted; 1 petition to declare pooling combination illegal, granted.

"PRESIDENT ROOSEVELT'S ADMINISTRATION, SEPTEMBER 14, 1901—JUNE, 1906.

"Two indictments for charging less than established rates, 2 nol-prossed; 4 indictments for pooling, 1 dismissed, 3 nol-prossed.

"Total, 6 indictments; 5 nol-prossed, 1 dismissed.

"Eight petitions to enjoin departure from published rates, temporary injunctions granted and answer filed; 10 petitions to enforce orders of Commission, 1 defendant complied and petition dismissed, 3 petitions dismissed, 2 injunctions granted, 1 discontinued, 3 pending; 3 petitions to compel filing of annual reports, 1 dismissed, 2 discontinued.

"CASES UNDER ELKINS ACT.

"Eleven indictments for receiving rebates—5 convictions, in one case defendants fined \$1,025 each, in four cases defendant corporation fined \$15,000; 1 acquittal, 5 pending; 19 indictments for granting rebates—1 conviction, defendant corporation fined \$40,000, 2 individual defendants fined \$10,000 each, 2 nol-prossed, 16 pending; 5 indictments for conspiring to obtain rebates—3 convictions, in one case defendant fined \$1,025, in one case defendant fined \$6,000 and given 6 months in jail and one other fined \$4,000 and given 3 months, in one case defendants fined in the aggregate \$25,000, 1 nol-prossed, 1 acquittal; 1 indictment for conspiring to grant rebates, pending.

*"Total: 36 indictments, 9 convictions, 2 acquittals, 3 nol-prossed, 22 pending.**

"Six petitions to enjoin departure from published rates, temporary injunctions granted; 1 petition to enforce order of commission, dismissed; 1 petition to restrain railroad from giving preferences and rebates, granted; 1 petition to compel filing of annual reports, discontinued; 2 proceedings to require defendants to testify, both successful."

The Attorney-General's report shows also that between March 17, 1903, and June 28, 1906, the work of his office in the special matter of prosecuting the trusts had cost \$159,709.66; and that Congress had allowed the Interstate Commerce Commission to spend in the same matter the sum of \$45,000; making in all \$204,709.66.

(*These indictments were returned within the last month or two, and the cases will be shortly brought to trial.)

The Elkins Act went into effect February 19, 1903; and on March 17, 1903, Congress appropriated \$500,000 as a special fund for the enforcement of the anti-trust laws. There had been great trouble about money for that purpose under Roosevelt's predecessors. But since March, 1903, there has been no lack of funds—only full and efficient action has been lacking.

Commenting upon Mr. Moody's report, the Providence Journal, a Republican newspaper, says:

"The report of Attorney-General Moody, recently issued, covering everything done up to date, shows that the Roosevelt administration has a clean record of failure in all six of the cases brought under the interstate commerce act, and but three convictions under the Elkins Act; and this although a better understanding of these laws, *due to the added length of time they have been on the statute book, gives less excuse.* Yet for some reason the administration has a record for 'doing things.' Unfortunately, many of the 'things' amount to nothing anyway, and might as well be left undone as to be so badly attempted. The latest 'fizzle' is the prosecution of the Standard Oil Company. 'After a series of conferences,' the news reports say, the Attorney-General has decided not to indict John D. Rockefeller. He decides to indict the Standard Oil Company as a *corporation*, but the officials of the company are not to be 'inconvenienced.' He might as well indict the office chairs. The offenses charged against the company, for which they are to be called upon to answer, seem almost ludicrous.

"In the light of what Texas and Missouri and Kansas did when they set themselves to break up the monopoly which the Standard Oil was building up in their territory, it certainly seems as if the Federal Government could do more than collect a fine. Yet Mr. Moody and the President are content to proceed against the trust because of rebates received under the form of discounted charges from the Lake Shore Railroad. *If they get a conviction, the only punishment is a fine. And for this they pose as the stern, uncompromising foes of all monopolies and trusts.* If the responsible heads and owners of the Standard Oil Company cannot be reached, brought into court, compelled to plead to charges of conspiracy in restraint of trade, and extortion, and take their chances of going to jail, then the Federal Government should let them and their corporation alone, and make it clear that it is powerless against them. For it would be."

On page 9 of Attorney-General Moody's *report* there is also a summary of suits and prosecutions instituted by the United States under the Sherman anti-trust law of July 2, 1890, which shows somewhat better results, but is still discouraging.

ATTORNEY-GENERAL MOODY'S SUMMARY.

President Harrison's Administration, 1889-1893.—Four bills in equity; 3 injunctions granted; 1 dismissed. Three indictments; 1 quashed; 1 demurrer sustained; 1 discontinued.

President Cleveland's second Administration, 1893-1897.—Four bills in equity; 3 injunctions granted; 1 dismissed. Two informations (for contempt in violating injunctions): 1 quashed; 1 conviction. Two indictments; 1 quashed; 1 dismissed.

President McKinley's Administration, 1897-1901 (September 14).—Three bills in equity; 2 injunctions granted; 1 dismissed.

President Roosevelt's Administration, September 14, 1901.—June, 1906. Eleven bills in equity; 6 injunctions granted; 5 pending. Five indictments; 3 pending; 1 conviction; 1 plea in bar sustained. Two proceedings for contempt in refusing to testify before grand jury: Convictions.

WHOLESALE PRICES 1897-1905.

FROM THE BULLETIN, MARCH, 1906, OF THE BUREAU OF
LABOR, DEPARTMENT OF COMMERCE AND LABOR.

Year.		Average price.	Relative price.
1897	Salt: American, per barrel.....	.66	93.9
1905	Salt: American, per barrel.....	.75	107.2
1897	Sugar: granulated, per pound.....	.04497	95.1
1905	Sugar: granulated, per pound.....	.05256	111.2

CLOTHS AND CLOTHING.

Year.		Average price.	Relative price.
1897	Grain bags: 2 bushel, Amoskeag.....	.1300	92.9
1905	Grain bags: 2 bushel, Amoskeag.....	.1533	109.6
1897	Blankets: 11-4, 5 lbs. to the pair, all wool.	.750	89.3
1905	Blankets: 11-4, 5 lbs. to the pair, all wool.	1.000	119.0
1897	Boots and Shoes.....	.9500	96.0
1905	Boots and Shoes.....	1.0042	101.5
1897	Carpets: Brussels 5-frame, Bigelow.....	.9600	95.29
1905	Carpets: Brussels 5-frame, Bigelow.....	1.1520	115.1
1897	Carpets: Ingrain 2-ply, Lowell.....	.4320	90.9
1905	Carpets: Ingrain 2-ply, Lowell.....	.5520	116.2
1897	Cotton Flannels: 2¾ yards to the pound..	.0575	81.4
1905	Cotton Flannels: 2¾ yards to the pound..	.0854	121.0
1897	Cotton thrd.: 6-cd., 200-yd. spls., J. & P. Cts.	.030503	98.4
1905	Cotton thrd.: 6-cd., 200-yd. spls., J. & P. Cts.	.037240	120.1
1897	Drillings: 30-inch, Stark A.....	.0463	88.9
1905	Drillings: 30-inch, Stark A.....	.0633	121.5
1897	Flannels: with 4-4, Ballard Vale, No. 3....	.3113	82.6
1905	Flannels: with 4-4, Ballard Vale, No. 3....	.4461	118.4
1897	Leather: harness, oak, country middles....	.2433	93.9
1905	Leather: harness, oak, country middles....	.3333	115.0
1897	Leather: sole, oak.....	.3079	91.6
1905	Leather: sole, oak.....	.3663	108.9
1897	Overcoatings: beaver; Moscow, all wool...	1.7670	84.9
1905	Overcoatings: beaver; Moscow, all wool...	2.4413	117.3
1897	Horse Blankets: 6 pounds each, all wool..	.570	99.5
1905	Horse Blankets: 6 pounds each, all wool..	.750	130.9
1897	Overcoatings: kersey, standard, 27 to 28 oz.	1.1833	94.9
1905	Overcoatings: kersey, standard, 27 to 28 oz.	1.8313	146.8
1897	Shawls: stand'd, all wool, 72x144 in., 42 oz.	4.0970	89.5
1905	Shawls: stand'd, all wool, 72x144 in., 42 oz.	2.2400	117.5
1897	Sheetings: bleached, 10-4, Pepperell.....	.1738	92.3
1905	Sheetings: bleached, 10-4, Pepperell.....	.2267	120.3
1897	Sheetings: brown, 4-4, Atlantic A.....	.0490	88.6
1905	Sheetings: brown, 4-4, Atlantic A.....	.0639	115.6
1897	Suitings: clay worsted diagonal, 12 oz....	.7337	89.1
1905	Suitings: clay worsted diagonal, 12 oz....	1.0931	132.7
1897	Trouserings: fancy worsted, 22 to 23 oz...	1.7955	92.3
1905	Trouserings: fancy worsted, 22 to 23 oz...	2.2331	111.6
1897	Women's dress goods: cashmere, all wool, Atlantic J.....	.2389	82.2
1905	Women's dress goods: cashmere, all wool, Atlantic J.....	.3730	128.4
1897	Petroleum: crude.....	.7869	86.5
1905	Petroleum: crude.....	1.3842	152.1

METALS AND IMPLEMENTS.

Year.		Average. price.	Relative. price.
1897	Augurs: extra $\frac{3}{4}$ -inch.....	.1425	88.6
1905	Augurs: extra $\frac{3}{4}$ -inch.....	.3067	190.7
1897	Axes: M. C. O., Yankee.....	.3938	83.9
1905	Axes: M. C. O., Yankee.....	.6323	134.7
1897	Barb wire: galvanized.....	1.8000	71.3
1905	Barb wire: galvanized.....	2.3829	94.3
1897	Butts: loose joint, cast, 3x3 inch.....	.0306	96.8
1905	Butts: loose joint, cast, 3x3 inch.....	.0400	126.6
1897	Doorknobs: steel, bronze plated.....	.1660	97.8
1905	Doorknobs: steel, bronze plated.....	.3625	213.6
1897	Files: 8-inch mill bastard.....	.7775	91.2
1905	Files: 8-inch mill bastard.....	1.0367	121.6
1897	Locks: Common Mortise.....	.0750	91.8
1905	Locks: Common Mortise.....	.1496	183.1
1897	Nails: wire, 8-penny, fence and common..	1.4854	68.7
1905	Nails: wire, 8-penny, fence and common..	1.8958	87.7
1897	Wood screws: 1-inch, No. 10, flat head....	.0850	56.3
1905	Wood screws: 1-inch, No. 10, flat head....	.1055	69.9
1897	Zinc: sheet.....	4.9400	93.0
1905	Zinc: sheet.....	6.8250	128.5
1897	Brick: common domestic.....	4.9375	88.8
1905	Brick: common domestic.....	8.1042	145.7
1897	Cement: Rosedale.....	.7521	84.8
1905	Cement: Rosedale.....	.8333	93.9
1897	Doors: pine.....	.8125	74.3
1905	Doors: pine.....	1.8367	163.2
1897	Lime: common.....	.7188	86.3
1905	Lime: common.....	.8908	106.9
1897	Pine: white boards, No. 2 barn.....	15.8333	92.5
1905	Pine: white boards, No. 2 barn.....	24.7500	144.6
1897	Linseed Oil: raw.....	.3275	72.2
1905	Linseed Oil: raw.....	.4675	103.1
1897	Pine: yellow.....	16.4375	89.0
1905	Pine: yellow.....	24.9167	134.9
1897	Shingles: white pine, 18-inch.....	3.5417	94.6
1905	Shingles: white pine, 18-inch.....	3.5000	119.9
1897	Turpentine: spirits of.....	.2743	82.1
1905	Turpentine: spirits of.....	.6276	187.7
1897	Window glass: American, single, firsts, 6x8 to 10x15 inch.....	2.1986	102.2
1905	Window glass: American, single, firsts, 6x8 to 10x15 inch.....	2.7637	128.5
1897	House furnishing goods: Earthenware: plates, white granite.....	.3991	89.1
1905	House furnishing goods: Earthenware: plates, white granite.....	.4586	102.4
1897	Furniture: bedroom sets ash.....	8.750	82.9
1905	Furniture: bedroom sets ash.....	12.354	117.0
1897	Furniture: chairs, bedroom, maple.....	5.000	80.7
1905	Furniture: chairs, bedroom, maple.....	8.000	129.1
1897	Furniture: chairs, kitchen.....	3.5000	91.5
1905	Furniture: chairs, kitchen.....	4.7500	124.2
1897	Table cutlery: knives and forks, cocobolo handles.....	5.0000	82.5
1905	Table cutlery: knives and forks, cocobolo handles.....	6.6875	110.4
1897	Woodenware: palls, oak grained.....	1.2417	95.6
1905	Woodenware: palls, oak grained.....	1.7000	130.9

MISCELLANEOUS.

Year.		Average. price.	Relative. price.
1897	Rope: manila, $\frac{3}{8}$ -inch.....	.0631	67.6
1905	Rope: manila, $\frac{3}{8}$ -inch.....	.1195	127.9
1897	Starch: laundry.....	.0300	86.2
1905	Starch: laundry.....	.0329	94.5
1897	Tobacco: plug, Horseshoe.....	.3758	94.9
1905	Tobacco: plug, Horseshoe.....	.4900	123.7
1897	Tobacco: smoking, gran. Seal of N. C....	.5000	98.2
1905	Tobacco: smoking, gran. Seal of N. C....	.6000	117.9

STATISTICS ON WAGES.

PRICES AND COST OF LIVING IN THE STATES OF NORTH
CAROLINA, PENNSYLVANIA, OHIO, ALABAMA.

NORTH CAROLINA—1904.

Agriculture.

95 counties report an increase in cost of living.

2 counties report no increase.

81 counties report an increase of wages.

16 counties report no increase.

It will thus be seen from this general statement that the increase of wages in North Carolina has not kept pace with the increased cost of living.

MONTHLY FARM WAGES.

Men receive from \$11.07 to \$18.86 per month.

Women receive from \$6.16 to \$11.54 per month.

Children average \$5.50 per month.

Miscellaneous factories, exclusive of furniture and textiles.

203 factories report, of which 199 employ 7,655 persons.

Time, 10 hours a day.

Highest wage, \$2.09 a day.

Lowest wage, 84c. a day.

Average wage, \$1.47 a day.

134 factories report an increase of wages.

1 factory reports a decrease.

56 factories report no change.

Cotton and woolen mills.

304 mills employing 57,555 persons.

Time, 10.8 hours the average day's work.

Highest average wages per day:

Men..... \$2.13

Women..... \$1.04

Lowest average wages per day:

Men..... \$1.62

Women..... .49

Children..... .41

It will thus be seen that the cotton and woolen mill wages for men run from \$16.12 to \$55.38 per month of 26 days; for women from \$12.74 to \$27.04; for children \$10.66. If the time for shut-downs in average mill work be deducted it will be seen that the wages paid cotton and woolen mill employees do not differ materially from the wages of farmhands.

Furniture factories.

86 factories report, of which 85 employ 4,847 people.

Highest average daily wages:

Adults..... \$2.05

Lowest average daily wages:

Adults..... \$.73

Children..... .39

Trades.

29% report an increase of wages.

8% report a decrease of wages.

63% report no change.

63% made full time.

37% made part time.

85% reported increased cost of living.

15% reported no increase.

When 63% are reported as making full time, this must not be understood to be a full year of 313 working days, but full factory time from 260 to 290 days. It will also be seen that the increase in wages by no means equals the increase in the cost of living.

Railroad employees.

Total number reporting 12,788, exclusive of officers.

Average daily wages:

Station agents..... \$1.12

Other station men..... .82

Engineers..... 2.83

Firemen..... 1.34

Conductors..... 2.40

Other train men..... 1.06

Machinists..... 2.39

Carpenters..... 1.71

Other shop men..... 1.13

Section foremen..... 1.41

Other track men..... .85

Switchmen..... 1.13

Telegraph operators..... 1.79

Other employees..... 1.20

The above figures are taken from the 18th Annual Report of the Bureau of Labor for the State of North Carolina for the year 1904:

OHIO—1904.

Manufacturing establishments.

Employees reported 343,859.

Male, 290,217.

Female, 53,642.

62,537 received an advance of 7.9%.

4,267 suffered a reduction of 6.5%.

277,055 reported no change.

Ignoring the very small decrease, the average increase in manufacturing wages for 343,859 employees was but one and five-tenths per cent.

These employees for ten of the leading industries were distributed as follows:

Description.	Number.	Average yearly wages.
Boilers, engines and tanks.....	12,480	\$556
Boots and shoes.....	14,543	349
Clothing.....	16,358	453
Flouring mill products.....	3,012	473
Foundry and machine shops.....	30,890	552
Liquors.....	4,669	666
Machinery.....	21,087	583
Printing and binding.....	10,641	471
Sash, doors, lumber.....	8,086	506
Steel, iron and tin.....	37,875	635

From these figures the average daily wages for each of the preceding occupations were as follows:

Boilers, engines and tanks.....	\$1.79
Boots and shoes.....	1.12
Clothing.....	1.46
Flouring mills.....	1.52
Foundry.....	1.78
Liquors.....	2.14
Machinery.....	1.88
Printing and binding.....	1.51
Sash, etc.....	1.63
Steel, etc.....	2.14

The wages paid to the 159,641 employees of the preceding ten leading industries amounted to \$86,503,564, or an average yearly wage of \$541, or an average daily wage of \$1.74 for each working day in a working year of 310 days.

And as these leading industries are the highest wage industries, it follows that the average daily wage for all the manufacturing establishments of Ohio employing 343,859 persons is less than \$1.50 per day, or less than \$9 per week for the working year.

These figures show the fallacy of calculations based on hourly wages. And when Republicans quote a higher daily rate for these occupations in Ohio they obtain it by another fallacy. They divide the actual amount paid any given number of men by the number of days they were actually employed, irrespective of the question, whether they were employed all the days in a full working year or not. The shutdowns of these manufacturing establishments cost each laborer from one to two months of his time, which makes his real daily wages much less than the Republican party boasts it to be. This is shown more fully in the following calculations based on the Ohio report as to its coal miners.

Coal mining.

Average number of employees, 36,460.
 Amount paid in wages, \$19,113,467.
 Average yearly wages, \$496.
 Average daily wages, \$1.60.
 Days in operation, 191.

Republicans will quote the average daily wages at \$2.60 a day, as does the report from which these figures were taken. To obtain this result 191, the actual number of days worked throughout the year, was used as a divisor, instead of 310, the actual number of work days in the year. In other words, the operators gave the men 191 days' work during the year, which averaged \$2.60 a day, but when the whole time of the miner is considered his wages were but \$1.60 a day. This same fallacious method of making a higher apparent daily wage rate than can be defended on common sense principles is characteristic of Republican statistics. They ignore the idle days, not the idle Sundays which all men ignore, but the idle days necessitated by the manufacturing trusts in their effort to regulate and control the output of the mills.

Of the 36,460 reported miners, 26,950 are reported as receiving an average advance in wages of 12.57%, or about 9% for the entire 36,460 men. This advance is attributable solely and alone to the coal strike arbitrament.

These figures are taken from the 28th Annual Report of the Bureau of Labor of the State of Ohio for the year 1904.

PENNSYLVANIA—1904.

These statistics are for 84 manufacturing industries of Pennsylvania, in which 734 identical establishments report for every year from 1896 to 1904:

1. Capital invested, 1903.....		\$269,958,813
Cost of basic material.....	\$199,030,954	
Wages paid.....	99,270,883	
Total		298,301,837
Profit, 1903.....		95,146,215
Profit, per cent.....		35
Market value of product.....		393,448,052
2. Capital invested, 1896.....		173,760,089
Market value of product.....		172,966,167
Cost of basic material.....	83,231,627	
Wages paid.....	47,530,623	
Total		130,762,250
Profit, 1896.....		42,203,917
Profit, per cent.....		24
Increase of profit, per cent., 1903 over 1896.....		45
3. Wages paid:		
1896—124,563 persons received....		47,530,623
1903—206,311 persons received....		99,270,883
In 1896 the average daily wage was	\$1.41	
In 1903 the average daily wage was	1.66	
Increase in daily wages.....	.25	
Increase, per cent. 1903 over 1896..	17	

Profits in 1896—24%—were already outrageously high. In 1903 they had increased to 35%, or an increase over 1896 of 45%.

Wages in 1896—\$1.41 per day—were outrageously low. In 1903 they averaged \$1.66, an increase of 17% over 1896. Profits that needed no increase advanced 45%, while wages, which sadly needed an increase, increased but 17%. That is, profits increased 45%, while wages increased 17%. This is the meaning of Republican prosperity.

And when it is considered that the price of living during the same period advanced about 47%, the pitiful condition of the laborer who works for wages becomes more apparent.

4. Days in operation, 734 identical establishments.

Year.	Average days in operation.
1896	271
1897	286
1898	286
1899	289
1900	289
1901	292
1902	293
1903	290

5. Per cent. of wages of value of the product.

1896	27.5
1897	26.8
1898	26.4
1899	24.7
1900	23.8
1901	24.3
1902	24.1
1903	25.2

That is to say, the laborers received 2.3% less of the value of the product in 1903 than they received in 1896. The value of the product in 1903 was \$393,448,052, and 2.3% of this amounts to \$9,049,305. By all tests of fairness this \$9,049,305 should have gone to the workmen as an increase of wages, if the Republican claim of greater prosperity in 1903 be correct. If in the hard times of 1896 27.5% of the value of the product was paid as wages, the same amount, or a greater amount should have been paid in 1903 to give the claim of greater prosperity a sound basis in fairness and logic. And in all fairness this amount—\$9,049,305—should have been added to the wage fund of the workmen. The increased profits of 1903 over 1896—45%—would certainly stand this decrease of 2.3%, and would not entail any hardships upon the employers. Distributing this \$9,049,305 between the 206,311 workmen employed in the 734 identical establishments in 1903 would have given each one of them an increase of \$43.80, and would have made the average annual wages within three cents of \$525. This, by adopting the Republican method of calculating an increased daily wage, would have given each workman a dollar and eighty-one cents per day as against a dollar and sixty-six cents actually received. And the better method of calculating daily wages would have made the difference somewhat more.

While this single instance of an unfair method of swelling manufacturers' profits is adduced, it is not therefore claimed that it is the only instance of the kind. It is used because it is concrete, deducible from the figures of the Pennsylvania Report, and easily available.

6. Iron, steel and tin-plate production, being the production of pig iron steel, rolled iron and steel and tin-plate.

PIG IRON.

Capital invested.....	\$162,662,941	
Gross tons of production.....	8,181,652	
Realized value.....	131,775,613	
Value of basic material.....		\$63,889,439
Aggregate wages.....		<u>10,662,196</u>
Total wages and material.....	74,551,635	
Total gross profit.....	57,223,988	
Per cent. of gross profit more than....		35

In other words, the industry of iron and steel in Pennsylvania in 1903 paid a gross profit of 35% over the total value of the basic material and the aggregate wages paid.

The realized value of the product, \$131,775,613, when compared with the aggregate wages paid, \$10,662,196, shows that the workmen received but a trifle more than 8% of the realized value of the product. When it is considered that for the whole 734 identical establishments \$99,270,883 were paid in wages upon a realized value of \$393,448,052, or 25.2%, the miserable proportion, 8%, paid workmen in pig iron is evident.

Average number of days in operation.....	307	
Number of workmen employed.....	16,912	
Average yearly earnings.....		\$630.00
Average daily wages.....		2.05
Cost of labor per ton.....		1.33
Tonnage per man per day.....		1.57

It will be observed that in the preceding calculation the gross profits is taken as the excess of realized value over value of basic materials and total wages paid. There is, of course, an additional miscellaneous expense, but this is so small as not to vary results materially.

The Census of 1900 enables us to reach this conclusion.

CENSUS FIGURES OF 1900 FOR PIG IRON.

Realized value of products in United States		\$206,823,000
Basic material.....	\$131,536,000	
Total wages.....	18,500,000	
Miscellaneous	7,463,000	<u>157,499,000</u>
Total profits.....		\$49,324,000
Profit per cent.....		31

PENNSYLVANIA IN 1900.

Realized value.....		\$101,575,000
Basic material.....	\$64,095,000	
Total wages.....	8,038,000	
Miscellaneous	3,269,000	<u>75,402,000</u>
Total profit.....		\$26,173,000
Profit per cent.....		34

The calculation ignoring miscellaneous expense yielded a profit per cent. of 35; the calculation by considering miscellaneous expense yields a profit per cent. of 34. The difference is so slight as not to affect the general result.

The realized value in 1903, as shown by the State Report, was \$131,775,613, and the total production, 8,181,652 tons of pig iron. This made the average selling price of pig iron in Pennsylvania for that year \$16.47 per ton.

The Census of 1900 gives the following average price per ton for the different states as follows:

Illinois.....	\$10.23	Kentucky.....	\$16.84
Maryland.....	12.69	Michigan.....	16.46
New Jersey.....	16.81	New York.....	15.07
Ohio.....	15.71	Pennsylvania.....	14.98
Tennessee.....	12.54	Texas.....	17.62
Virginia.....	15.20	West Virginia.....	16.57
Wisconsin.....	13.34	Other States.....	16.33

The lowest average price is that of Illinois, and the Census authorities explain this by saying that "a large part of the pig iron made in this state is consumed by the makers in the manufacture of steel."

That is to say, they, as pig iron manufacturers, sell their products to themselves, as steel manufacturers, at \$10.22 a ton. The average price of pig iron for the whole country was \$14.29 per ton in 1900. This would give the steel manufacturers of Illinois, who were at the same time pig iron manufacturers, an advantage of \$4.06 per ton, or nearly 40% upon their steel products. If the comparison could be made with actual prices this percentage of advantage would doubtless be materially increased. It will also be noticed that the labor cost of the manufacture of pig iron is about 16% of the cost of basic material, and not quite 8% of the realized value of the product.

In all these calculations the term "miscellaneous expenses" covers taxes, rent, interest, insurance, advertising, stamps, contract work and other similar expenses; the term "basic materials" covers raw materials, partly manufactured materials, fuel, rent of power and heat, cost of mill supplies and freight.

FALLING OFF OF PRODUCTION OF ROLLED IRON AND STEEL IN 1904 AS COMPARED WITH 1903.

Articles.	Production 1903.	Production 1904.
	Gross tons.	Gross tons.
Iron and steel rails.....	1,125,751	825,434
Plates and sheets.....	1,689,824	1,565,190
Cut nails.....	33,509	28,162

Falling off in Wages Paid.

Aggregate wages, 1903.....	\$64,664,647
Aggregate wages, 1904.....	55,932,427

Falling off in Wage Earners.

Workmen, 1903.....	99,294
Workmen, 1904.....	91,146

Falling off in Annual Wages.

Yearly wages, 1903.....	\$651.24
Yearly wages, 1904.....	613.66

Falling off in Average Daily Wages.

Daily wages, 1903.....	\$2.25
Daily wages, 1904.....	2.09

Falling off in Labor Cost, per ton.

Labor cost, 1903 (per ton).....	\$7.97
Labor cost, 1904 (per ton).....	7.19

In the production of crude steel the same decrease of production is reported.

Articles.	1903. Tons.	1904. Tons.
Bessemer.....	3,910,059	3,465,669
Open Hearth.....	4,264,410	4,093,100
Crucible.....	72,908	55,023
Total.....	8,247,377	7,613,792

A falling off of 633,585 tons.

The same reduction is shown in pig iron.

Gross tons produced, 1903.....	8,181,652
Gross tons produced, 1904.....	7,411,300
Value per ton, 1903.....	\$16.11
Value per ton, 1904.....	13.74
Cost of basic material, 1903.....	\$63,889,439
Cost of basic material, 1904.....	\$54,664,808
Number of workmen, 1903.....	16,912
Number of workmen, 1904.....	14,087
Aggregate wages, 1903.....	\$10,662,196
Aggregate wages, 1904.....	7,909,335
Average yearly earnings, 1903.....	630.45
Average yearly earnings, 1904.....	561.46
Average daily wage, 1903.....	2.05
Average daily wage, 1904.....	1.98
Average cost of labor per ton, 1903.....	1.33
Average cost of labor per ton, 1904.....	1.07
Average cost of basic material per ton, 1903....	7.81
Average cost of basic material per ton, 1904....	7.38

It will thus be seen that the basic material and the labor cost of every ton of pig iron produced in Pennsylvania in 1904 was \$8.45. As the realized value of each ton was \$13.74, the profit, excluding miscellaneous expenses, was \$5.29 per ton, or 38%.

ANTHRACITE COAL.

Total tonnage mined.....	58,057,447
Total value on board cars.....	\$140,370,498.00
Average number of days.....	231
Average number of people employed.....	160,579
Average yearly earnings.....	\$574.28
Average daily wage, for 231 days.....	2.48
Average daily wage, for 313 days.....	1.83
Average number of tons mined by each miner per day.	6.5

BITUMINOUS COAL.

Total number of tons mined.....	58,175,108
Realized value at mines.....	\$59,603,146.00
Days in operation.....	188
Average number of workmen.....	93,114
Aggregate wages paid.....	\$40,133,604.00
Average yearly wage.....	431.02
Average daily wage for 188 days.....	2.29
Average daily wage for 313 days.....	1.37

TEXTILE INDUSTRIES.

Total value of product.....	\$105,879,546.00
Average number of employees.....	54,011
Number of days in operation.....	284
Aggregate wages paid.....	\$24,541,029.00
Average yearly wage.....	383.39
Average daily wage, for 284 days.....	1.35

COTTON GOODS.

Total value of product.....	\$17,457,423.00
Days in operation.....	286
Average number of employees.....	10,681
Aggregate wages paid.....	\$4,430,642.00
Average yearly wage.....	414.82
Average daily wage, for 286 days.....	1.45

WOOLEN GOODS.

Value of product.....	\$44,054,932.00
Days in operation.....	292
Number of employees.....	22,160
Wages paid.....	\$8,819,725.00
Average yearly wage.....	398.00
Average daily wage, for 292 days.....	1.36

SILK GOODS.

Number of employees.....	3,687
Average yearly wage.....	\$378.15
Average daily wage.....	1.34

KNIT GOODS.

Number of employees.....	13,605
Average yearly wage.....	\$321.27
Average daily wage.....	1.14

FIBER GOODS.

Average yearly wage.....	\$385.98
Average daily wage.....	1.37

CARPETS.

Average daily wage.....	\$1.54
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WOOLEN AND WORSTED.

Average daily wage.....	\$1.14
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These figures as to Pennsylvania are taken from the Annual Report of the Secretary of Internal Affairs, part three, 1904.

ALABAMA.

Census Report, Bulletin 43, 1905.

1312 manufacturing establishments in the eleven selected industries—cars, coke, cotton goods, fertilizers, foundries, iron and steel, lumber, planing mills, cotton seed oil, printing, turpentine

and rosin—forming 70% of all establishments in the state, reported as follows for the year 1905:

Capital employed.....	\$90,106,030.00
Value of products.....	93,953,829.00
Number of wage earners.....	54,073
Wages paid.....	19,283,768.00
Average annual wages.....	357.00
Average daily wage, 313 days.....	1.14
Miscellaneous expenses.....	6,705,400.00
Cost of basic materials.....	52,256,700.00
Profit.....	15,707,961.00
Profit, per cent.....	17

IRON AND STEEL.

Twenty establishments with capital.....	\$29,044,289.00
Value of product.....	24,687,359.00
Number of employees.....	8,590
Aggregate wages paid.....	3,447,889.00
Average annual wages.....	401.00
Average daily wages, 313 days.....	1.28

COTTON GOODS.

Forty-six establishments with capital.....	\$24,758,649.00
Value of product.....	16,760,332.00
Number of employees.....	11,480
Aggregate wages paid.....	2,457,928.00
Average annual wages, 313 days.....	214.06
Average daily wages, 313 days.....	.68

UNITED STATES OFFICIAL WAGE FIGURES.

Comparison of the wages of labor as shown by the Nineteenth Annual Report of the Commissioner of Labor of the Department of Commerce and Labor for 1904:

Laborers.	Wages per hour	Wages per hour
	1896.	1903.
	(In cents and fractions.)	
Blacksmiths	21.54	23.64
Grinders, plow.....	19.20	21.90
Cutters, boots and shoes.....	21.78	23.36
Stitchers, boots and shoes.....	30.09	31.50
Vampers, boots and shoes.....	19.48	21.10
Grinders, boots and shoes.....	15.25	15.25
Mixers, boots and shoes.....	16.13	16.42
Shoemakers, female.....	12.60	13.34
Tone regulators.....	33.59	36.11
Mullers, cotton seed.....	6.00	6.25
Linters, cotton seed.....	10.26	10.78
Pressers, cotton seed.....	12.87	12.83
Laborers, linseed oil.....	15.00	16.00
Pressmen, linseed oil.....	16.22	17.43
Rollermen, linseed oil.....	22.18	18.00
Bleachers, paper and wood pulp.....	15.27	16.83
Calendriers, paper and wood pulp.....	13.87	12.51
Cutters, paper and wood pulp.....	8.88	9.77
Finishers, paper and wood pulp.....	10.48	10.84
Rag sorters, paper and wood pulp.....	17.11	17.89
Rag sorters, female, paper and wood pulp.....	9.29	9.04
Pipefitters, petroleum.....	23.58	23.73
Kilnmen, pottery.....	27.01	28.29

Laborers.	Wages per hour	Wages per hour
	1896.	1903.
	(In cents and fractions.)	
Sewers, books, female.....	10.71	10.15
Linotype operators.....	33.51	26.93
Finishers, rope and twine.....	8.00	8.00
Hemp preparers.....	17.33	16.71
Laborers	14.29	14.33
Layers	14.00	14.00
Ropemakers	17.78	18.70
Spinners	13.69	12.62
Twisters	13.00	13.00
Blacksmiths, shipbuilding.....	28.24	28.48
Boilermakers, shipbuilding.....	26.33	25.68
Laborers, shipbuilding.....	17.02	18.55
Riggers, shipbuilding.....	26.05	25.33
Riveters, shipbuilding.....	25.34	25.31
Sparmakers, shipbuilding.....	33.07	34.66
Beamers, shipbuilding.....	18.33	18.19
Loom fixers, silk goods.....	29.05	29.70
Quillers, silk goods.....	10.07	9.89
Spinners, silk goods.....	7.80	7.95
Twisters in silk goods.....	25.01	26.14
Warpers, female, silk goods.....	19.16	15.69
Weavers, male, silk goods.....	18.89	16.02
Weavers, female, silk goods.....	17.56	15.34
Weavers, ribbon, silk goods.....	24.25	20.61
Weavers, ribbon, female, silk goods.....	23.21	20.89
Gutters, hog.....	31.54	31.28
Meaders, hog.....	26.25	28.17
Scrapers, hog.....	27.63	25.23
Cutters, soap.....	16.37	17.50
Molders, soap.....	16.88	17.71
Coopers, sugar refining.....	11.44	11.79
Filtermen, sugar refining.....	11.37	11.58
Firemen, sugar refining.....	16.37	19.03
Laborers, sugar refining.....	15.37	15.51
Water tenders, sugar refining.....	19.96	18.63
Weighers, sugar refining.....	19.31	21.11
Assorters, tin plate.....	25.00	25.00
Dusters, tin plate.....	8.33	8.82
Laborers, tin plate.....	15.84	15.36
Cigarette machine feeders.....	7.50	7.47
Cigarette machine feeders, female.....	10.48	10.48
Cigarette machine operators.....	13.97	15.72
Packers, cigars.....	15.42	12.99
Stemmers, female.....	7.32	8.56
Casers	14.22	13.12
Granulators	9.00	8.33
Sorters	15.81	15.16
Combers, woolens.....	10.23	10.95
Dyers, woolens.....	12.16	13.55
Clampers, paper boxes, male.....	20.34	20.34
Clampers, paper boxes, female.....	13.56	13.56
Gluers, paper boxes, female.....	14.38	14.99
Limers, paper boxes, male.....	13.56	13.56
Paper cutters.....	27.27	25.55
Scorers	23.84	25.99
Trimmers	8.53	9.43
Off bearers, brick.....	15.05	17.98
Lathers	35.84	37.59
Roofers	23.31	26.13
Buttermakers	14.88	15.34
Cheesemakers	16.29	17.50
Candymakers	23.84	23.77
Burlers, carpets.....	13.24	15.91

Laborers.	Wages per hour 1896.	Wages per hour 1903.
	(In cents and fractions.)	
Dyers, carpets.....	14.85	15.45
Loom fixers.....	24.53	26.50
Spoolers	11.30	11.97
Twisters	9.74	10.49
Weavers	13.31	14.07
Weavers, ingrain.....	17.41	18.40
Blacksmiths, carriage and wagon.....	23.40	24.49
Bodymakers	23.61	25.01
Machine wood workers.....	18.20	19.64
Painters	21.09	22.89
Blacksmiths, steam railroad cars.....	25.65	27.80
Coppersmiths, steam railroad cars.....	27.95	28.87
Laborers, steam railroad cars.....	12.79	13.62
Pipe fitters, steam railroad cars.....	23.80	25.53
Cutters, clothing.....	24.33	26.16
Examiners, clothing.....	13.34	11.48
Finishers, clothing.....	8.85	8.84
Pressers, clothing.....	7.38	7.66
Sewing machine operators.....	8.25	9.25
Bushelmen	11.67	12.71
Meaters, cooperage.....	20.65	19.42
Levelers, cooperage.....	29.53	25.68
Raisers, cooperage.....	26.05	24.24
Carding machine tenders.....	9.28	9.92
Dyers	10.63	11.81
Bleachers	11.84	12.03
Calendriers	13.22	13.97
Color mixers.....	12.25	12.85
Dyers, male.....	13.83	14.62
Printers	46.12	46.14
Bolters, flour.....	16.37	17.64
Boilermakers	26.26	28.48
Coremakers	9.84	8.85
Canners	17.50	17.50
Canners, female.....	11.66	11.85
Gas, chargers.....	24.75	25.29
Gas, laborers.....	16.10	15.44
Pipefitters	24.80	25.20
Retort men.....	23.28	23.55
Batchmakers, glass.....	19.40	19.62
Flangers, hats.....	32.44	31.70
Pouncers, hats.....	25.00	22.53
Trimmers, hats.....	13.76	13.91
Millers, liquors.....	23.27	24.09
Warehouse men.....	18.19	19.67
Yeast makers.....	65.29	58.63
Coopers, liquors.....	24.15	30.58
Action makers, organs.....	23.63	22.48
Case makers, organs.....	20.34	20.97
Pipe makers, organs.....	29.72	29.11
Pipe organ builders.....	30.66	28.43
Tuners	30.69	30.65
Voicers	41.83	41.94

These figures carefully gathered by the Government show that the actual wage scale per hour for hundreds of thousands of laborers show an actual decrease in 1903 over 1896; the cases in which an increase is shown, while not reaching an average of a 10 per cent. advance, may be attributable more to the adoption of the eight hour system than to any other principle; the daily wages may remain the same in both years, while the hourly wages show

a slight advance. The saving to the laborer is merely that of an hour or two hour's time. Many other occupations are set out in full in the report of the Bureau of Labor, which are not reproduced here, and which show a much greater increase in hourly wages. An analysis of these advances show them to be in those occupations most clearly dominated by trades unionism, and the reason for these greater advances is attributable in no sense to the tariff, nor to the savings which follow the concentration of industries. Indeed, an analysis of the profits made by these concentrations or trusts, show that a much larger percentage of the value of the products might have been devoted to the wage fund without injury to a single industry. In other words profits are too high, owing to the tariff and the trusts; wages, on the contrary, at their highest, are too low in comparison with these profits; and at their average, these wages are unconscionably low; and at their lowest, these same wages, not only defraud their recipients of a fair living, but convict the trusts and the tariff of fastening upon American labor the pauper wage scales of Europe.

APPENDICES

APPENDIX A.

COMPARISON OF EXPORT AND HOME PRICES.

The first and second table is taken from the American Export Monthly of June 18, 1904, published by Arkell and Douglas, 5 to 11 Broadway, New York City, New York.

FIRST TABLE.—*Showing differences in discounts from price lists for foreign and home consumers and the per cent. of difference between export and home prices; many varieties and sizes are often included under one discount.*

NOTE.—Where several discounts are quoted the first figure is the discount from list price, the second figure is the discount from the remainder, the third figure is the discount from that remainder, and so on. Thus, in the line for "Augers" below, the home discount is given as "50, 10, 5." If the list price was \$1 these discounts would mean 50 per cent. off from \$1 (50 cents), less 10 per cent. of remainder (5 cents), less 5 per cent. of that remainder (2½ cents), leaving 42¾ cents as net price to buyer.

Firm or corporation and article.	Export discount from list.	Home discount from list.	Difference.
Russell & Erwin Manufacturing Co.:	<i>Per cent.</i>	<i>Per cent.</i>	<i>P. ct.</i>
Auger bits, Swan's Jennings.....	60	50	25
Locks, door.....	50	40	20
Bells, cow.....	50, 15	50	19
Snell Manufacturing Co.:			
Augers	75	50, 10, 5	72
John S. Fray & Co.:			
Braces	70	60	33
Enterprise Manufacturing Co.:			
Coffee and spice mills.....	40, 10	25 to 30	30
A. M. Hayden & Russell, Burdsall & Ward Bolt and Nut Co.:			
Bolts, tire.....	80, 10	72, 10	28
Bolts, carriage.....	80, 10	75	39
Bridgeport Chain Co.:			
Chains, halter.....	70, 10, 7	60, 10	44
Covert Manufacturing Co.:			
Halters, jute.....	50, 10, 10	40, 5, 5	33
Halters, sisal.....	40, 10	30	30
Handles, fork, rake, hoe and shovel...	50	45	10
Beamis & Call Hardware Co.:			
Pipe wrenches, adjustable "S".....	50	40	20
Pike Manufacturing Co.:			
Scythe and oil stones.....	50	33	50
Henry Digston's Sons:			
Saws, hand.....	40 and 5	25	43
Saws, crosscut.....	60 and 10	45	53
Stanley Rule and Level Co.:			
Rules, boxwood.....	50, 10, 10, 10	60 to 60, 10	35

SECOND TABLE.—*Showing difference between export and home prices on sample specified articles.*

Firm or corporation and article.	Export price.	Home price.	Difference.
Russell & Erwin Manufacturing Co.:			<i>Per. ct.</i>
Auger bits, Swan's Jenning No. 3, dozen.....	\$1.60	\$2.00	25
Snell Manufacturing Co.:			
Auger bits, solid cast steel car No. 7, dozen..	2.70	3.60	33
A. & M. Haydon:			
Bolts, tire 1-inch, per hundred.....	.27	.30	10
Bolts, carriage, 2-inch, per hundred.....	.98	1.35	34
John S. Fray & Co.:			
Braces, Spofford No. 7, per dozen.....	4.80	6.40	30
Braces, Woodhead No. 117, per dozen.....	10.80	14.40	30
Braces, ratchet No. 141, per dozen.....	12.60	16.80	30
Enterprise Manufacturing Co.:			
Coffee and spice mills, wall, each.....	.67	.88	30
Coffee and spice mills, counter, No. 4, each..	4.32	5.60	30
Coffee and spice mills, counter, No. 212, each.	16.20	21.00	30
Bridgeport Chain Co.:			
Chains, halter, Brown, No. 4, 6 foot, dozen....	2.00	2.80	40
Beamis & Call Hardware Co.:			
Wrenches, "S," adjustable pipe, 8 inches, doz.	7.50	9.00	20
Do.....	4.50	5.55	22
Wrenches, combination, 10 inches, dozen.....	13.75	14.25	6

[List from Exporters and Importers' Journal of June 18, 1904, published by Henry W. Peabody, 17 State street, New York City, N. Y.]

FIRST TABLE.—*Showing differences in discounts.*

Firm or corporation and article.	Export discount from list.	Home discount from list.	Difference.
Henry Disston's Sons:	<i>Per cent.</i>	<i>Per cent.</i>	<i>P. ct.</i>
Levels and plumbs.....	70, 10, 10, 10	70	36
Saws, band.....	60, 10, 10	60	23
Saws, hand.....	45, 5	25	43
Saws, compass.....	45, 5	25	43
Shears	50	30	40
Squares, try.....	70, 10, 10, 10	70	36
Andrew B. Hendrix & Co.:			
Bird cages, brass.....	50	40, 10	8
Enterprise Manufacturing Co.:			
Fruit seeders, Nos. 36 and 38.....	40	30	16
Collins & Co.:			
Hinges, japanned spring.....	25, 20, 10	25, 10	24
Hinges, acme brass.....	40, 10	30	30
Springs, door, gem coil.....	35	30	16
Covert Manufacturing Co.:			
Harness snaps.....	50	35	42
Breast chains.....	50, 10	40	30
Cleveland Twist Drill Co.:			
Bit stocks and drills.....	65, 10	60, 10, 5	8
Boston and Lockport Block Co.:			
Tackle blocks.....	75	70, 10	8
Charles Parker Co.:			
Vises	25, 10, 5	25	17
Miller's Falls Co.:			
Wrenches, Coes.....	40, 10, 5, 5, 7	40, 5, 5, 7	13

SECOND TABLE.—*Showing samples of differences between export and home prices in specific articles.*

Firm or corporation and article.	Export price.	Home price.	Difference.
Andrew B. Hendrix Co.:			<i>Per ct.</i>
Bird cages, No. 301, fancy, with R. mats, doz.	\$15.00	\$16.20	11
Henry Disston's Sons:			
Hardware, saws, band, 3 to 14, per foot....	1.00	1.22	22
Hardware, saws, band, 2 to 3, per foot....	.75	.92	24
Hardware, saws, hand, 18 inches, per dozen..	6.00	8.36	43
Hardware, saws, hand, Acme, 16 in., per doz.	11.51	16.50	43
Hardware, saws, hand, No. 7, 14 in., per doz.	6.37	8.40	16
Hardware, saws, compass, No. 2, 16 inches, per dozen.....	2.61	3.65	43
Hardware, saws, back, No. 4, 12 in., per doz.	6.00	8.36	43
Hardware, saws, butcher, No. 7, 18 in., per doz.	7.00	8.70	24
Hardware, saws, wood, No. 69, per doz.....	6.00	7.80	30
Hardware, try-square, No. 1, 5 in., per doz.....	1.06	1.43	40
Hardware, trowels, No. 12, per doz.....	10.00	12.95	29
Hardware, bungle hole borers, No. 2, each.....	1.00	1.25	25
Hardware, levels and plumbs, No. 8, per doz..	4.60	6.30	37
Smith & Egge Manufacturing Co.:			
Hardware, shears, Eureka, No. 2.....	10.00	14.00	40
Ames Manufacturing Co.:			
Hardware, shovels, spades, D. H., sq. pt., doz..	4.68	5.10	9
Hardware, shovels, spades, R. D., sq. pt., doz..	4.95	5.40	9
Hardware, shovels, spades, long H., sq. pt., doz	4.81	5.25	9
Columbian Hardware Co.:			
Hardware, hinges, Acme, 2 I. No. 2, doz. pairs.	.75	.98	17
Hardware, hinges, Acme, W. B., No. 2, doz. pairs	1.08	1.40	30
Hardware, hinges, door springs, Gem coil, gross.	7.80	8.40	7
Boston & Lockport Block Co.:			
Hardware, tackle block, 14 in., single, each.....	1.75	2.00	11
Hardware, tackle block, 14 in., double, each.....	2.63	2.83	8
Collins & Co.:			
Hardware, wrenches, Coes, 10 in., per doz....	5.46	5.86	7
L. S. Starrett Co.:			
Hardware, hack-saw blades, 9 in., per doz....	.48	.53	10
Enterprise Manufacturing Co.:			
Fruit presses, Nq. 3, each.....	1.80	2.40	33
Raisin seeder, No. 36, per doz.....	7.20	9.00	25
Covert Manufacturing Co.:			
Hardware, snaps, har. Derby, gross.....	3.20	4.25	30
Hardware, snaps, har. Jockey, gross.....	2.39	3.00	25
Hardware, snaps, har. Trojan, gross.....	1.84	2.63	42
Hardware, snaps, har. Yankee, gross.....	2.40	3.12	30
Hardware, jacks, carriage, per doz.....	5.00	6.88	36
Hardware, jacks, wagon, per doz.....	6.40	8.80	33
Hardware, jacks, automobile, per doz.....	7.60	10.45	33
Hardware, jacks, automobile, screw, per doz..	18.00	23.95	33
Sampson Cordage Works:			
Hardware, sash cord, No. 7, per pound.....	.24	.33	34
Hardware, sash cord, Mass., per pound.....	.20	.28	40
M. S. Benedict Manufacturing Co.:			
Hardware, teaspoons, gross.....	1.00	1.10	10
Hardware, dessert spoons, gross.....	1.50	1.65	10
Hardware, tablespoons, gross.....	2.00	2.20	10
Hardware, forks, gross.....	2.30	2.53	10
Cleveland Twist Drill Co.:			
Hardware, twist drill, bit stock, 1 in., per doz.	8.86	10.13	14
Hardware, twist drill, taper sh., 1 in., each..	.94	1.08	12
Charles Parker Co.:			
Hardware, vises, No. 5, X, each.....	15.40	19.20	25
Hardware, coffee mills, box, No. 401, per doz..	1.44	1.80	25
Hardware, coffee mills, side, No. 90, per doz..	2.88	3.60	25
Columbian Hardware Co.:			
Hardware, vises, solid box, No. 90, each....	6.40	8.00	25
Hardware, vises, parallel, 5 in., each.....	2.25	3.00	30
Malin & Co.:			
Hardware, wire ann. tin, 1-lb. spools, per doz..	.70	.80	14
Hardware, wire ann. tin, 1-lb. spools, per doz..	.90	.98	9
Hardware, wire, barb pr. hd., lbs.....	2.20	2.70	23
Hardware, wire, black fencing, p. hd., lbs....	1.25	2.00	60
Geo. W. Korn Razor Manufacturing Co.:			
Razors, safety, each.....	1.08	1.20	11

[List from the Export World and Herald of July 5, 1904, published by the American Trading Company, Broad Exchange Building, New York City, N. Y.]

FIRST TABLE.

Firm or corporation and article.	Export dis- count from list.	Home dis- count from list.	Dif- fer- ence.
E. C. Atkins & Co., Indianapolis, Ind.	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per ct.</i>
Hardware, saw (circular)	50, 10	50	11
Hardware, saw (band)	50, 10, 5	50, 10	6
Hardware, saw (crosscut)	35, 5	16	33
Hardware, saw (hand)	50, 10	40	33
Hardware, saw (back)	50	40	20

	Export price.	Home price.	Differ- ence.
J. S. Barron & Co.:			<i>Per ct.</i>
Freezers, ice cream, Alaska, 4-quart, each....	\$1.82	\$2.40	33
Washboards, single zinc, per dozen.....	1.50	2.40	60
Washboards, solid zinc, per dozen.....	2.25	2.65	17
Washboards, solid zinc, per dozen.....	2.40	3.00	25
Henry Chesney Hammer Co.:			
Hammers, farriers' No. 54, per dozen.....	4.44	4.80	9
Hammers, machinists', No. 91, per dozen.....	7.00	8.51	20
Knowles Scale Works:			
Scales, square platform, with wh., each.....	14.97	17.50	17

In February, 1904, the literary bureau of the Democratic Congressional Committee received a letter from Henry Rossell & Co. (Limited), Sheffield, England, large manufacturers and dealers in files and tool steel. This letter says:

"As an illustration of the unfair manner in which home buyers of files are treated by the United States manufacturers, I inclose you herewith a comparison of the prices charged to the buyers in the United States with those offered by the same manufacturers here."

Some of the prices on the list inclosed follow:

Comparative prices, per dozen, of American files in America and England.

Article.	Eng- land.	United States.	Differ- ence.
			<i>Per ct.</i>
Flat bastard, 4 inches.....	\$0.34	\$0.92	170
Flat bastard, 6 inches.....	.50	1.07	114
Flat bastard, 10 inches.....	1.08	1.75	62
Hand bastard, 4 inches.....	.38	.92	142
Hand bastard, 6 inches.....	.62	1.07	73
Hand bastard, 10 inches.....	1.30	1.87	44
Half-round bastard, 4 inches.....	.34	1.20	253
Half-round bastard, 6 inches.....	.50	1.52	204
Half-round bastard, 10 inches.....	1.08	2.27	108
Round bastard, 4 inches.....	.34	.75	121
Round bastard, 6 inches.....	.50	.87	74
Round bastard, 10 inches.....	1.08	1.40	30
Square bastard, 4 inches.....	.34	.95	179
Square bastard, 6 inches.....	.50	1.15	130
Square bastard, 10 inches.....	1.08	1.85	71

From these figures we see that the American File Association, which has not revised its price list to American buyers since November 1, 1899, is charging us for most kinds of its small files more than twice as much as it charges Englishmen for these same files, and for half-round files we must pay them three times the price charged Englishmen.

ARTICLES UPON WHICH 100 PER CENT. AND OVER ARE COLLECTED.

From Report of the Department of Commerce and Labor, Bureau of Statistics.

Imported merchandise entered for consumption in the United States, including both entries for immediate consumption and withdrawals from warehouse for consumption, with rates and amounts of duty collected during the year ending June 30, 1905.

Articles.	Rates of duty.	Quantities.	Values.	Duties.	Average.	
					Value per unit of quantity.	Ad valorem rate of duty.
Beverages, not elsewhere specified:						<i>Per cent.</i>
Cherry juice and other fruit juice, not specially provided for, containing not more than 18 per cent. of alcohol (gallons).	{ 60 cents per gallon..... Duty remitted..... (Sec. 15, act July 24, 1897).	37,074.28 853.00	\$19,411.00 283.00	\$22,244.60	\$0.523 .332	114.60
Prune juice or prune wine, containing not more than 18 per cent. of alcohol (gallons).	60 cents per gallon.....	51,088.90	26,220.00	30,653.34	.513	116.91
Chemicals, drugs, dyes and medicines:						
Boracic (pounds).....	5 cents per pound.....	660,150.00	23,626.00	33,007.50	.036	139.71
Tannic or tannin (pounds).....	50 cents per pound.....	7,652.34	3,108.00	3,826.18	.406	123.11
Mineral waters:						
Otherwise than in such bottles, or in bottles containing more than 1 quart (gallons).	24 cents per gallon.....	11,860.28	2,193.00	2,846.47	.185	129.80
Vanillin (ounces).....	80 cents per ounce.....	1,331.00	423.00	1,064.80	.318	251.73
Cotton duck, not exceeding 3½ square yards to the pound (square yards).	4¼ cents per square yard and 10 per cent.	221.00	10.00	10.39	.045	103.9
Dress facings or skirt bindings, not bleached, dyed, colored, stained, painted, or printed (square yards).	9 cents per square yard and 35 per cent.	166.00	9.00	18.09	.054	201.0
Glass bottles, filled, holding less than ¼ pint (gross).....	50 cents per gross.....	234.21	115.00	117.10	.491	101.83
Cylinder, crown and common window glass, unpolished, above 24 by 36 inches and not exceeding 30 by 40 inches (pounds).	3½ cents per pound.....	663,201.00	19,313.00	22,382.98	.029	115.90
Plate glass, fluted, rolled, ribbed, or rough ground, above 24 by 60 inches (square feet).	35 cents per square foot...	9,515.67	2,441.00	3,330.48	.256	136.44
Plate glass, cast, polished, finished or unfinished and unsilvered:						
Above 24 by 30 inches and not exceeding 24 by 60 inches (sq. ft.)	22½ cents per square foot.	792,579.50	175,729.00	178,330.47	.222	101.48
Above 24 by 60 inches (square feet).....	35 cents per square foot...	265,442.69	66,225.00	92,904.93	.249	140.29
Plate glass, cast, polished, unsilvered, when bent, ground, obscured, frosted, sanded, enameled, beveled, etched, embossed, engraved, flashed, stained, colored, painted, or otherwise ornamented or decorated, above 24 by 60 inches (square feet).	35 cents per square foot and 5 per cent.	6,298.00	1,509.00	2,279.75	.24	151.07

Plate glass, cast, polished, silvered, and looking-glass plates, exceeding in size 144 square inches, above 24 by 30 inches and not exceeding 24 by 60 inches (square feet).	484.00	122.00	121.00	.252	99.26
Plate glass, cast, polished, silvered, when bent, ground, obscured, frosted, sanded, enamelled, beveled, etched, embossed, engraved, flashed, stained, colored, painted, or otherwise ornamented or decorated, above 24 by 60 inches (square feet).	133.00	47.00	52.89	.353	112.53
Lead, and manufactures of—base bullion (pounds).....	2,927,891.00	61,892.00	62,217.68	.021	100.53
Marble, sawed or dressed, over 2 inches in thickness (cubic feet).....	146.50	150.00	161.15	1.02	107.43
Bay rum or bay water, whether distilled or compounded (proof gallons).	879.25	710.00	1,318.88	.808	185.76
Manufactures of silk: Weight not increased beyond original weight of the raw silk (pounds).	318.29	911.00	954.87	2.86	104.82
Weight not increased beyond original weight of the raw silk—reelprocity treaty with Cuba (pounds).	1.00	2.00	2.40	2.00	120.00
Dyed in the piece, boiled off, or printed, containing more than 45 per cent. in weight of silk (pounds).	375.63	1,121.00	1,126.88	2.98	100.52
Handkerchiefs, etc., hemstitched, or imitation hemstitched, or revered or having drawn threads, or embroidered in any manner, whether with an initial letter, monogram, or otherwise, by hand or machinery, or tamboured, appliquéed, or made or trimmed wholly or in part with lace, or with tucking or insertion—					
Containing more than 45 per cent. in weight of silk, weight not increased beyond original weight of the raw silk (pounds).	50.00	71.00	157.10	1.42	221.27
Still wines, in casks or packages other than bottles or jugs—reelprocity treaty with Italy (gallons).	1,021,421.53	316,001.60	357,497.55	.309	113.13
Wool and hair advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for:					
Valued above 40 and not above 70 cents per pound (pounds)...	133.00	86.00	101.52	.647	118.05
Valued over 70 cents per pound (pounds).....	1,438.50	1,352.90	1,377.04	.941	101.78
Manufactures composed wholly or in part of wool, worsted, the hair of the camel, goat, alpaca, or other animals:					
Rags, mungo, flocks, nolis, shoddy, and waste—					
Shoddy (pounds).....	50.00	5.00	12.50	0.10	250.00
Wastes, top and roving (pounds).....	20.00	5.00	6.00	.25	120.00
Yarns, made wholly or in part of wool, valued not more than 30 cents per pound (pounds).	4,254.00	1,181.00	1,642.26	.278	138.06

ARTICLES UPON WHICH 100 PER CENT. AND OVER ARE COLLECTED—Continued.

Articles.	Rates of duty.	Quantities.	Values.	Duties.	Average.	
					Value per unit of quantity.	Ad valorem rate of duty.
Blankets—						Per cent.
Valued not more than 40 cents per pound (pounds).....	22 cents per pound and 30 per cent.	2,022.50	597.46	624.20	.295	104.48
Valued more than 40 and not more than 50 cents per pound (pounds).	33 cents per pound and 35 per cent.	1,649.73	751.50	807.44	.456	107.44
More than 3 yards in length—						
Valued not more than 40 cents per pound (pounds).....	33 cents per pound and 50 per cent.	1,679.50	507.00	807.74	.302	159.32
Valued more than 40 and not more than 70 cents per pound (pounds).	44 cents per pound and 50 per cent.	7,111.50	4,147.00	5,202.56	.583	125.44
Cloths, woolen or worsted—						
Valued not more than 40 cents per pound (pounds).....	33 cents per pound and 50 per cent.	8,126.00	2,630.85	3,997.03	.324	151.93
Valued more than 40 and not more than 70 cents per pound (pounds).	44 cents per pound and 50 per cent.	245,066.76	152,694.30	184,176.51	.623	120.62
Dress goods, women's and children's, coat linings, Italian cloths, and goods of similar description—						
The warp consisting wholly of cotton or other vegetable materials, with the remainder of the fabric composed wholly or in part of wool—						
Valued not exceeding 15 cents per square yard—	7 cents per square yard and 50 per cent.	20,257,891.75	2,449,536.00	2,642,820.45	.121	107.89
Not above 70 cents per pound (square yards).....	7 cents per square yard and 55 per cent.	1,122,911.50	154,816.00	163,752.66	.138	105.77
Above 70 cents per pound (square yards).....						
Weighing over 4 ounces per square yard—						
Valued not more than 40 cents per pound (pounds)....	33 cents per pound and 50 per cent.	659.25	189.00	312.05	.287	165.11
Valued more than 40 and not more than 70 cents per pound (pounds).	44 cents per pound and 50 per cent.	1,934.50	1,199.00	1,450.74	.62	121.00
Composed wholly or in part of wool—						
Valued not above 70 cents per pound (square yards).....	11 cents per square yard and 50 per cent.	307,773.00	59,253.70	63,481.88	.193	107.14

Valued above 70 cents per pound (square yards).....	11 cents per square yard and 55 per cent.	10,300,312.04	2,443,539.22	2,476,980.90	.237	101.36
Weighing over 4 ounces per square yard—						
Valued not more than 40 cents per pound (pounds).....	33 cents per pound and 50 per cent.	1,199.00	368.00	579.67	.307	157.52
Valued more than 40 and not more than 70 cents per pound (pounds).	44 cents per pound and 50 per cent.	479,058.50	333,163.00	377,367.24	.695	113.32
Valued more than 70 cents per pound (pounds).....	44 cents per pound and 55 per cent.	1,342,301.94	1,303,972.00	1,307,797.46	.971	100.29
Flannels for underwear—						
Valued more than 40 and not more than 50 cents per pound (pounds).	33 cents per pound and 35 per cent.	172.50	76.25	83.62	.442	109.67
Weighing over 4 ounces per square yard—						
Valued more than 50 and not more than 70 cents per pound (pounds).	44 cents per pound and 50 per cent.	1,375.50	750.00	980.22	.545	130.70
Valued more than 70 cents per pound (pounds).....	44 cents per pound and 55 per cent.	52,062.50	43,856.75	47,028.71	.842	107.20
Knit fabrics (not wearing apparel) valued more than 40 and not more than 70 cents per pound (pounds).	44 cents per pound and 50 per cent.	41.00	26.60	31.34	.649	117.80
Plushes and other pile fabrics—						
Valued not over 40 cents per pound (pounds).....	33 cents per pound and 50 per cent.	80.00	29.00	40.90	.363	141.02
Valued more than 40 and not more than 70 cents per pound (pounds).	44 cents per pound and 50 per cent.	483.00	236.00	330.52	.489	140.05
Wearing apparel—Clothing, ready-made, and articles of wearing apparel, made up or manufactured wholly or in part, not specially provided for, shawls, knitted or woven (pounds).	44 cents per pound and 60 per cent.	60,105.63	65,761.25	65,903.23	1.09	100.21
All other manufactures wholly or in part of wool—						
Valued not more than 40 cents per pound (pounds).....	33 cents per pound and 50 per cent.	36,206.75	12,749.75	18,323.13	.352	143.72
Valued more than 40 and not more than 70 cents per pound (pounds).	44 cents per pound and 50 per cent.	46,736.52	27,165.00	34,146.57	.581	125.70

APPENDIX B.

OPERATIONS OF MCKINLEY TARIFF BY MONTHS.

OFFICE OF THE SECRETARY OF THE TREASURY,
DIVISION OF WARRANTS, ESTIMATES, AND APPROPRIATIONS.

Comparative statement of the receipts and expenditures of the United States.

RECEIPTS.

Source	Fiscal year ending June 30, 1891.		Fiscal year ending June 30, 1890.	
	Month of October, 1890	Since July 1, 1890.	Month of October, 1889.	Since July 1, 1889.
Customs.....	\$24,934,114.05	\$91,238,718.97	\$18,815,040.44	\$77,085,886.99
Internal revenue	12,840,250.54	49,730,301.59	11,625,469.47	46,356,007.00
National - bank deposit fund..	993,720.00	6,715,260.00	.....	.....
Miscellaneous ...	1,447,809.70	6,942,864.18	2,052,097.73	8,587,110.32
Total.....	40,215,894.29	154,627,144.74	32,492,607.64	132,029,004.31

EXPENDITURES.

Civil and miscellaneous.....	\$11,542,447.85	\$34,821,918.79	\$7,441,648.22	\$28,885,318.54
War.....	4,965,747.99	16,130,568.89	5,619,672.91	20,381,720.42
Navy.....	2,471,248.56	7,730,667.82	1,773,957.01	7,250,632.93
Indians.....	1,300,286.18	2,286,799.74	644,737.20	2,669,613.23
Pensions.....	11,097,474.24	44,837,292.67	4,694,404.96	40,182,032.33
National bank fund, redemption account..	2,202,728.00	6,093,928.50	.....	.....
Interest.....	4,312,965.93	25,826,454.52	6,132,839.69	16,426,296.86
Premium.....	143,215.49	8,451,635.39	2,291,537.72	8,600,925.49
Total.....	38,036,664.24	146,159,266.32	28,598,797.71	124,396,539.80

RECEIPTS.

Source.	Fiscal year ending June 30, 1891.		Fiscal year ending June 30, 1890.	
	Month of November, 1890.	Since July 1, 1890	Month of November, 1889.	Since July 1, 1889.
Customs.....	\$15,227,641.28	\$108,132,662.42	\$16,614,488.23	\$93,704,225.71
Internal revenue	11,322,047.31	62,078,611.99	11,159,069.42	57,517,783.85
National - bank deposit fund..	307,450.00	7,022,710.00	.....	.....
Miscellaneous ...	2,128,986.12	9,735,658.74	2,943,409.49	12,080,893.90
Total.....	28,986,124.71	186,972,643.15	30,716,967.14	163,302,903.46

EXPENDITURES.

Civil and miscellaneous.....	\$8,771,335.85	\$43,593,454.64	\$5,792,589.33	\$34,677,907.87
War.....	3,691,893.26	19,822,462.15	3,245,263.04	23,626,983.46
Navy.....	2,321,959.98	10,052,627.80	1,824,033.59	9,074,666.52
Indians.....	626,524.92	2,913,324.66	757,857.27	3,427,470.50
Pensions.....	21,511,161.49	66,348,454.16	10,775,646.23	50,957,678.56
National - bank fund, redemption account..	2,109,684.50	8,236,063.00	.....	.....
Interest.....	3,537,462.40	29,363,916.92	774,069.74	17,200,366.60
Premium.....	.....	8,451,635.39	2,165,298.90	10,766,224.39
Total.....	42,570,022.40	188,781,938.72	25,334,758.10	149,731,297.90

Comparative statement of the receipts and expenditures of the United States—Continued.

RECEIPTS.

Source.	Fiscal year ending June 30, 1891.		Fiscal year ending June 30, 1890.	
	Month of December, 1890.	Since July 1, 1890.	Month of December, 1889.	Since July 1, 1889.
Customs.....	\$16,104,533.09	\$124,240,195.51	\$15,925,107.32	\$109,029,333.03
Internal revenue	12,944,173.21	75,022,785.20	11,003,848.84	68,521,632.69
National-bank deposit fund..	263,875.00	7,286,585.00	.....	.....
Miscellaneous....	2,057,458.57	11,793,117.31	2,666,548.33	14,747,442.23
Total.....	31,370,039.87	218,342,683.02	29,595,504.49	192,898,407.95

EXPENDITURES.

Civil and miscellaneous.....	\$8,362,245.00	\$51,955,699.64	\$5,577,342.65	\$40,255,250.52
War.....	3,669,026.16	23,491,488.31	3,453,129.55	27,080,113.01
Navy.....	2,163,809.76	12,216,437.56	1,646,953.92	10,721,620.44
Indians.....	723,860.55	3,637,185.21	729,555.35	4,157,025.85
Pensions.....	2,653,515.94	69,001,970.10	10,322,384.73	61,280,063.29
National-bank fund, redemption account..	1,935,467.00	10,171,530.00	.....	.....
Interest.....	470,621.74	29,834,538.66	1,461,654.34	18,662,320.94
Premium.....	1,910,203.85	10,361,639.24	2,692,958.86	13,459,183.25
Total.....	21,888,550.00	210,670,488.72	25,883,979.40	175,615,277.30

RECEIPTS.

Source.	Fiscal year ending June 30, 1891.		Fiscal year ending June 30, 1890.	
	Month of January, 1891.	Since July 1, 1890.	Month of January, 1890.	Since July 1, 1889.
Customs.....	\$23,897,953.06	\$148,138,148.57	\$21,743,305.83	\$131,372,638.86
Internal revenue	11,253,863.80	86,276,649.00	10,034,688.12	78,556,320.31
National-bank deposit fund..	245,740.00	7,532,325.00	.....	.....
Miscellaneous....	1,658,416.39	13,451,533.70	2,883,164.12	17,630,606.35
Total.....	37,055,973.25	255,398,656.27	34,661,158.07	227,559,566.02

EXPENDITURES.

Civil and miscellaneous.....	\$9,747,655.06	\$61,539,224.21	\$10,144,634.31	\$50,342,288.07
War.....	4,450,327.50	27,938,204.23	2,859,904.57	29,939,476.30
Navy.....	2,386,295.82	14,603,367.59	2,193,746.33	12,911,435.51
Indians.....	963,690.10	4,602,007.62	480,596.99	4,637,201.64
Pensions.....	1,080,570.56	70,081,657.48	2,176,772.75	63,455,718.33
National-bank fund, redemption account..	2,461,760.00	12,633,290.00	.....	.....
Interest.....	2,851,428.66	32,675,449.15	7,916,800.22	26,577,996.45
Premium.....	39,581.37	10,401,220.61	2,086,335.17	15,545,518.42
Total.....	23,981,309.07	234,474,420.89	27,858,790.64	203,409,634.72

Comparative statement of the receipts and expenditures of the United States—Continued.

RECEIPTS.

Source.	Fiscal year ending June 30, 1891.		Fiscal year ending June 30, 1890.	
	February.	Since July 1.	February.	Since July 1.
Customs.....	\$18,994,189.72	\$166,310,626.68	\$18,966,505.50	\$150,810,622.46
Internal revenue	9,489,629.57	96,478,005.79	10,114,960.02	89,317,749.81
National bank deposit fund..	338,145.00	7,870,470.00	.....	.....
Miscellaneous....	789,353.73	15,184,875.47	1,784,752.72	20,326,554.31
Total.....	29,611,318.02	285,843,977.94	30,866,218.24	260,454,926.58

EXPENDITURES.

Civil and miscel- laneous.....	\$6,180,218.75	\$67,719,442.96	\$5,069,175.49	\$55,411,463.56
War.....	2,841,729.84	30,779,934.07	2,433,849.08	32,373,325.38
Navy.....	2,086,497.66	16,689,865.25	2,058,749.89	14,970,185.40
Indians.....	667,113.25	5,269,120.87	363,093.11	5,000,294.75
Pensions.....	17,310,563.08	87,392,220.56	13,660,764.86	77,116,483.19
National-bank fund, redemp- tion account..	2,279,340.50	14,912,630.50	.....	.....
Interest.....	359,546.78	33,034,995.93	518,161.88	27,096,158.33
Premium.....	.....	10,401,220.61	956,910.16	16,502,428.58
Total.....	31,725,009.86	266,199,430.75	25,060,704.47	228,470,339.19

RECEIPTS.

Source.	Fiscal year ending June 30, 1891.		Fiscal year ending June 30, 1890.	
	March.	Since July 1.	March.	Since July 1.
Customs.....	\$15,373,522.85	\$181,684,149.53	\$20,800,765.82	\$171,611,388.28
Internal revenue	11,206,723.41	107,684,729.20	11,281,856.81	100,599,606.62
National-bank deposit fund..	390,875.00	7,826,1345.00	.....	.....
Miscellaneous....	2,447,209.20	17,632,084.67	2,695,558.26	23,022,112.57
Total.....	29,418,330.46	315,262,308.40	34,778,180.89	295,233,107.47

EXPENDITURES.

Civil and miscel- laneous.....	\$11,647,638.63	\$79,367,081.59	\$5,467,121.75	\$60,878,585.31
War.....	3,707,580.96	34,487,515.03	2,494,189.73	34,867,515.11
Navy.....	2,353,469.26	19,043,334.51	1,682,097.65	16,652,283.05
Indians.....	1,120,046.85	6,389,167.72	702,517.40	5,702,812.15
Pensions.....	9,514,578.24	96,906,798.80	3,854,915.10	80,971,398.29
National-bank fund, redemp- tion account..	2,440,204.50	17,352,835.00	.....	.....
Interest.....	719,423.16	33,754,419.09	1,339,299.79	28,435,458.12
Premium.....	.....	10,401,220.61	2,094,595.85	18,597,024.43
Total.....	31,502,941.60	297,702,372.35	17,634,737.27	246,105,076.46

Comparative statement of the receipts and expenditures of the United States—Continued.

RECEIPTS.

Source.	Fiscal year ending June 30, 1891.		Fiscal year ending June 30, 1890.	
	Month of April, 1891.	Since July 1, 1890.	Month of April, 1890.	Since July 1, 1889.
Customs.....	\$12,591,990.18	\$194,276,139.71	\$19,907,466.60	\$191,518,854.88
Internal revenue	11,420,455.56	119,105,184.76	12,105,148.93	112,704,755.55
National-bank deposit fund..	580,000.00	9,145,695.00	.....	.....
Miscellaneous...	1,452,785.90	19,084,870.57	2,004,425.87	25,020,535.44
Total.....	26,045,831.64	341,611,890.04	34,017,041.40	329,253,145.87

EXPENDITURES.

Civil and miscel- laneous.....	\$14,036,844.80	\$93,411,402.34	\$7,915,315.97	\$68,682,311.17
War.....	4,263,705.37	38,749,792.29	3,698,774.81	38,561,739.43
Navy.....	2,699,898.94	21,140,905.08	1,921,907.74	18,569,830.54
Indians.....	771,451.98	7,159,347.71	422,425.48	6,126,559.34
Pensions.....	264,191.83	97,174,355.28	9,614,610.49	90,583,210.88
National-bank fund, redemp- tion account..	1,540,686.53	19,196,671.50	.....	.....
Interest.....	2,554,951.31	36,091,822.31	5,660,971.85	34,096,372.44
Premium.....	.....	10,401,220.61	673,917.46	19,270,941.83
Total.....	25,331,194.36	323,325,517.12	29,907,923.70	275,890,965.63

RECEIPTS.

Source.	Fiscal year ending June 30, 1891.		Fiscal year ending June 30, 1890.	
	Month of May, 1891.	Since July 1, 1891.	Month of May, 1891.	Since July 1, 1891.
Customs.....	\$11,995,141.77	\$205,731,913.13	\$17,084,403.09	\$208,017,572.19
Internal revenue	12,232,704.18	132,216,628.99	16,392,161.43	129,500,127.32
National-bank deposit fund..	128,120.00	8,970,065.00	.....	.....
Miscellaneous...	3,061,459.99	22,890,360.17	2,002,987.24	27,019,388.57
Total.....	27,417,425.94	369,808,967.29	35,443,551.76	364,537,088.08

EXPENDITURES.

Civil and miscel- laneous.....	\$10,132,414.20	\$103,543,816.54	\$7,527,685.39	\$76,209,996.56
War.....	5,389,418.48	44,139,210.77	3,721,044.60	42,282,784.03
Navy.....	2,751,875.11	23,892,780.19	1,712,839.73	20,282,670.27
Indians.....	580,914.84	7,740,262.55	352,742.86	6,479,302.20
Pensions.....	8,519,169.53	105,693,524.81	12,594,516.40	103,177,727.28
National-bank fund redemp- tion account..	2,081,758.50	20,974,680.00	.....	.....
Interest.....	316,534.49	36,408,356.80	513,584.17	34,609,956.61
Premium.....	.....	10,401,220.61	811,561.96	20,082,503.79
Total.....	29,772,085.15	352,793,852.27	27,233,975.11	303,124,940.74

Comparative statement of the receipts and expenditures of the United States—Continued.

RECEIPTS.

Source.	Fiscal year ending June 30, 1891.		Fiscal year ending June 30, 1890.	
	Month of June, 1891.	Since July 1, 1890.	Month of June, 1890.	Since July 1, 1889.
Customs.....	\$14,168,745.47	\$219,900,658.60	\$21,641,827.53	\$229,668,584.57
Internal revenue	13,726,652.43	145,943,281.42	12,641,939.21	142,606,705.81
National-bank deposit fund..	89,900.00	9,059,965.00	.....	.....
Miscellaneous....	3,736,451.61	26,626,811.78	3,263,125.11	30,805,692.25
Total.....	31,721,749.51	401,530,716.80	37,546,891.85	403,080,982.63

EXPENDITURES.

Civil and miscel- laneous.....	\$6,595,523.30	\$110,139,339.84	\$5,171,942.64	\$81,403,256.49
War.....	4,583,906.08	48,723,116.85	2,274,377.02	44,582,838.08
Navy.....	2,222,318.26	26,115,098.45	1,687,837.56	22,006,206.24
Indians.....	785,925.69	8,526,188.24	231,667.94	6,708,046.67
Pensions.....	18,721,585.56	124,415,110.37	3,761,696.22	106,936,855.07
National-bank fund, redemp- tion account..	2,274,868.50	23,249,548.50	.....	.....
Interest.....	718,844.57	37,127,201.37	1,513,861.94	36,099,284.05
Premium.....	.....	10,401,220.61	221,720.27	20,304,224.06
Total.....	35,902,971.96	388,696,824.23	14,863,103.59	318,040,710.66

RECEIPTS.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	Month of July, 1891.	Since July 1, 1890.	Month of July, 1890.	Since July 1, 1889.
Customs.....	\$15,468,153.91	\$219,900,658.60	\$23,953,386.00	\$229,668,584.57
Internal revenue	14,551,867.92	145,943,281.42	11,717,499.64	142,606,705.81
National-bank deposit fund..	142,100.00	9,059,965.00	303,750.00	.....
Miscellaneous....	4,138,222.85	26,626,811.78	2,328,580.80	30,805,692.25
Total.....	34,300,344.68	401,530,716.80	38,303,216.44	403,080,982.63

EXPENDITURES.

Civil and miscel- laneous.....	\$12,321,541.13	\$110,139,339.84	\$8,025,059.44	\$81,403,256.49
War.....	5,734,022.38	48,723,116.85	4,185,165.12	44,582,838.08
Navy.....	2,233,716.07	26,115,098.45	2,126,919.06	22,006,206.24
Indians.....	1,245,829.81	8,526,188.24	262,074.98	6,708,046.67
Pensions.....	13,663,326.43	124,415,110.37	14,863,492.39	106,936,855.07
National-bank fund, redemp- tion account..	1,698,617.00	23,249,548.50	303,750.00	.....
Interest.....	2,822,598.31	37,127,201.37	7,232,108.73	36,099,284.05
Premium.....	.....	10,401,220.61	2,054,379.44	20,304,224.06
Total.....	39,719,651.13	388,696,824.23	39,052,949.16	318,040,710.66

Comparative statement of the receipts and expenditures of the United States—Continued.

RECEIPTS.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	Month of August, 1891.	Since July 1, 1891.	Month of August, 1890.	Since July 1, 1890.
Customs.....	\$15,164,674.61	\$30,632,828.52	\$20,315,879.96	\$44,269,265.96
Internal revenue	12,501,829.02	27,053,696.94	12,557,852.20	24,275,351.84
National-bank deposit fund..	110,870.00	252,970.00	2,700,540.00	3,004,290.00
Miscellaneous....	1,107,477.47	5,245,700.32	1,033,177.30	3,361,758.10
Total.....	28,884,851.10	63,185,195.78	36,607,449.46	74,910,665.90

EXPENDITURES.

Civil and miscellaneous.....	\$6,861,616.19	\$19,205,285.96	\$7,824,222.82	\$15,848,282.26
War.....	3,590,617.41	9,381,771.36	3,326,672.31	7,511,837.43
Navy.....	2,784,990.46	5,018,706.53	1,592,492.58	3,719,411.64
Indians.....	737,505.54	1,983,335.35	166,726.02	428,801.00
Pensions.....	5,094,323.88	18,757,650.31	18,838,658.73	33,702,151.12
National-bank fund, redemption account..	1,200,536.50	2,899,153.50	1,849,219.00	2,152,969.00
Interest.....	468,430.97	3,291,029.28	876,219.13	8,108,327.86
Premium.....	.....	.....	1,729,849.72	3,784,229.16
Total.....	20,738,020.95	60,536,932.29	36,204,060.31	75,257,009.47

RECEIPTS.

Source.	Fiscal year ending June 30, 1891.		Fiscal year ending June 30, 1890.	
	Month of September, 1891.	Since July 1, 1890.	Month of September, 1890.	Since July 1, 1889.
Customs.....	\$14,120,940.30	\$44,753,768.82	\$22,035,338.96	\$66,304,604.92
Internal revenue	11,946,531.71	39,000,228.65	12,614,699.21	36,890,051.05
National-bank deposit fund..	835,693.00	1,088,663.00	3,021,000.00	6,025,290.00
Miscellaneous....	1,098,082.24	6,343,782.56	2,133,296.38	5,495,054.48
Total.....	28,001,247.25	91,186,443.02	39,804,334.55	114,715,000.45

EXPENDITURES.

Civil and miscellaneous.....	\$7,292,546.11	\$26,497,832.07	\$7,530,030.09	\$23,379,312.35
War.....	3,961,443.95	13,343,215.31	3,655,039.44	11,166,876.87
Navy.....	2,580,157.68	7,598,864.21	1,551,013.72	5,270,425.36
Indians.....	1,335,038.98	3,318,374.33	556,771.89	985,572.89
Pensions.....	6,682,878.75	25,440,529.06	37,977.32	33,740,128.44
National-bank fund, redemption account..	1,667,763.50	4,566,917.00	2,074,431.50	4,227,400.50
Interest.....	414,972.22	3,706,001.50	13,410,000.86	21,518,328.72
Premium.....	.....	.....	4,524,190.74	8,308,419.90
Total.....	23,934,801.19	84,471,733.48	33,339,455.56	108,596,465.03

Comparative statement of the receipts and expenditures of the United States—Continued.

RECEIPTS.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	Month of Oc- tober, 1891.	Since July 1, 1891.	Month of Oc- tober, 1890.	Since July 1, 1890.
Customs.....	\$13,980,687.43	\$58,734,456.25	\$24,934,114.05	\$91,238,718.97
Internal revenue	13,066,461.15	52,066,689.80	12,840,250.54	49,730,301.59
National-bank deposit fund..	111,990.00	1,200,653.00	993,720.00	7,019,010.00
Miscellaneous....	1,401,413.63	7,745,196.19	1,447,809.70	6,942,864.18
Total.....	28,560,552.21	119,746,995.24	40,215,894.29	154,930,894.74

EXPENDITURES.

Civil and miscel- laneous.....	\$8,983,729.89	\$35,424,927.70	\$11,542,447.85	\$34,822,118.79
War.....	2,281,916.60	15,619,071.55	4,965,747.99	16,130,568.89
Navy.....	2,383,305.58	9,945,339.62	2,471,248.56	7,730,667.82
Indians.....	850,858.99	4,211,286.61	1,300,836.18	2,286,799.74
Pensions.....	10,976,593.69	36,417,859.40	11,097,474.24	44,837,292.67
National-bank fund, redemp- tion account..	1,221,457.50	5,788,374.50	2,202,728.00	6,430,128.50
Interest.....	5,174,405.77	8,880,000.53	4,312,965.93	25,826,454.52
Premium.....	.....	.....	143,215.49	8,451,635.39
Total.....	31,872,268.02	116,286,859.91	38,036,664.24	146,515,666.32

RECEIPTS.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	Month of No- vember, 1891.	Since July 1, 1891.	Month of No- vember, 1890.	Since July 1, 1890.
Customs.....	\$12,659,039.01	\$71,885,786.19	\$15,227,641.28	\$108,135,662.42
Internal revenue	12,480,326.54	64,630,234.87	11,322,047.31	62,078,611.99
National-bank deposit fund..	114,275.00	1,314,928.00	307,450.00	7,326,460.00
Miscellaneous....	1,663,522.17	9,981,352.52	2,128,986.12	9,735,658.74
Total.....	26,917,162.72	147,812,301.58	28,986,124.71	187,276,393.15

EXPENDITURES.

Civil and miscel- laneous.....	\$6,072,845.14	\$41,497,772.84	\$8,771,335.85	\$43,593,454.64
War.....	4,055,177.22	19,674,248.77	3,691,893.26	19,822,462.15
Navy.....	2,684,497.01	12,629,836.63	2,321,959.98	10,052,627.80
Indians.....	1,200,684.31	5,411,970.92	626,524.92	2,913,324.66
Pensions.....	11,783,598.71	48,200,458.11	21,511,161.49	66,348,454.16
National-bank fund, redemp- tion account..	1,754,954.50	7,543,329.00	2,109,684.50	8,539,813.00
Interest.....	359,245.41	9,239,245.94	3,537,462.40	29,363,916.92
Premium.....	.....	.....	.....	8,451,635.39
Total.....	27,911,002.30	144,196,862.21	42,570,022.40	189,085,688.72

Comparative statement of the receipts and expenditures of the United States—Continued.

RECEIPTS.

Source.	Fiscal year ending June 30, 1891.		Fiscal year ending June 30, 1890.	
	December.	Since July 1.	December.	Since July 1.
Customs.....	\$13,836,555.64	\$85,722,341.83	\$16,104,533.09	\$124,240,195.51
Internal revenue	12,427,046.73	77,057,281.60	12,944,173.21	75,022,785.20
National-bank deposit fund..	286,470.00	1,601,398.00	263,875.00	7,590,335.00
Miscellaneous....	1,382,913.36	11,364,265.88	2,057,458.57	11,793,117.31
Total.....	27,932,985.73	175,745,287.31	31,370,039.87	218,646,433.02

EXPENDITURES.

Civil and miscellaneous.....	\$8,342,679.75	\$49,840,452.59	\$8,362,245.00	\$51,955,699.64
War.....	5,102,456.59	24,776,705.36	3,669,026.16	23,491,488.31
Navy.....	2,427,108.94	15,056,945.57	2,163,809.76	12,216,437.56
Indians.....	1,086,004.54	6,497,975.46	723,860.55	3,637,185.21
Pensions.....	13,140,769.05	61,341,227.16	2,653,515.94	69,001,970.10
National-bank fund, redemption account..	1,397,162.00	8,940,491.00	1,935,467.00	10,475,280.00
Interest.....	325,708.80	9,564,954.74	470,621.74	29,834,538.66
Premium.....	.....	.....	1,910,003.85	10,361,639.24
Total.....	31,821,889.67	176,018,751.88	21,888,550.00	210,974,238.72

RECEIPTS.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	January.	Since July 1.	January.	Since July 1.
Customs.....	\$17,459,285.74	\$103,181,627.57	\$23,897,953.06	\$148,138,148.57
Internal revenue	11,439,956.70	88,497,238.30	11,253,863.80	86,276,649.00
National-bank deposit fund..	159,250.00	1,760,648.00	245,740.00	7,836,075.00
Miscellaneous....	1,484,236.16	12,848,502.04	1,658,416.39	13,451,533.70
Total.....	30,542,728.60	206,288,015.91	37,055,973.25	255,702,406.27

EXPENDITURES.

Civil and miscellaneous.....	\$9,473,708.04	\$59,271,930.22	\$9,747,655.06	\$61,539,224.21
War.....	4,067,179.34	28,842,751.63	4,450,327.50	27,938,204.23
Navy.....	2,489,355.26	17,545,431.60	2,386,295.82	14,613,367.59
Indians.....	950,365.05	7,448,175.76	963,690.10	4,602,007.62
Pensions.....	10,521,941.40	71,871,961.23	1,080,570.56	70,081,657.48
National-bank fund, redemption account..	1,488,172.50	10,428,663.50	2,461,760.00	12,937,040.00
Interest.....	6,672,801.01	16,238,680.75	2,851,428.66	32,675,449.15
Premium.....	.....	.....	39,581.37	10,401,220.61
Total.....	35,663,522.60	211,647,594.69	23,981,309.07	234,778,170.89

Comparative statement of the receipts and expenditures of the United States—Continued.

RECEIPTS.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	Month of February, 1892.	Since July 1, 1891.	Month of February, 1891.	Since July 1, 1890.
Customs.....	\$16,782,419.95	\$119,896,874.59	\$18,994,189.72	\$166,310,626.68
Internal revenue	12,189,387.36	101,157,232.47	9,489,629.57	96,478,005.79
National-bank deposit fund..	56,960.00	1,817,608.00	338,145.00	8,174,220.00
Miscellaneous....	1,727,137.26	15,220,016.16	789,353.73	15,184,875.47
Total.....	30,755,904.57	238,091,731.22	29,611,318.02	286,147,727.94

EXPENDITURES.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	March.	Since July 1.	March.	Since July 1.
Civil and miscellaneous.....	\$8,223,430.67	\$67,495,360.89	\$6,180,218.75	\$67,719,442.96
War.....	3,072,548.00	31,915,299.63	2,841,729.84	30,779,934.07
Navy.....	1,852,926.67	19,398,358.27	2,086,497.66	16,689,865.25
Indians.....	487,763.85	7,935,939.61	667,113.25	5,269,120.87
Pensions.....	11,561,447.31	83,433,408.54	17,310,563.08	87,392,220.56
National-bank fund, redemption account..	1,519,333.50	11,947,997.00	2,279,340.50	15,216,380.50
Interest.....	764,609.13	17,003,289.88	359,546.78	33,034,995.93
Premium.....				10,401,220.61
Total.....	27,482,059.13	239,129,653.82	31,725,009.86	266,503,180.75

RECEIPTS.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	March.	Since July 1.	March.	Since July 1.
Customs.....	\$16,415,312.33	\$136,312,186.92	\$15,373,522.85	\$181,684,149.53
Internal revenue	12,133,601.09	113,290,833.56	11,206,723.41	107,684,729.20
National-bank deposit fund..	212,200.00	2,029,808.00	390,875.00	8,565,095.00
Miscellaneous....	1,287,692.91	16,507,709.07	2,447,209.20	17,632,084.67
Total.....	30,048,806.33	268,140,537.55	29,418,330.46	315,566,058.40

EXPENDITURES.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	March.	Since July 1.	March.	Since July 1.
Civil and miscellaneous.....	\$7,800,501.86	\$75,295,862.75	\$11,647,638.63	\$79,367,081.59
War.....	3,434,574.96	35,349,874.59	3,707,580.96	34,487,515.03
Navy.....	2,405,585.01	21,803,943.28	2,353,469.26	19,043,334.51
Indians.....	957,119.43	8,893,059.04	1,120,046.85	6,389,167.72
Pensions.....	12,937,407.06	96,370,815.60	9,514,578.24	96,906,798.80
National-bank fund, redemption account..	1,205,372.50	13,153,369.50	2,440,204.50	17,656,585.00
Interest.....	249,028.97	17,252,318.85	719,423.16	33,754,419.09
Premium.....				10,401,220.61
Total.....	28,989,589.79	268,119,243.61	31,502,941.60	298,006,122.35

Comparative statement of the receipts and expenditures of the United States—Continued.

RECEIPTS.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	April.	Since July 1.	April.	Since July 1.
Customs.....	\$13,709,989.18	\$150,022,176.10	\$12,591,990.18	\$194,276,139.71
Internal revenue	12,048,622.17	125,339,455.73	11,420,455.56	119,105,184.76
National-bank deposit fund..	417,130.00	2,446,938.00	580,600.00	9,145,695.00
Miscellaneous....	1,212,612.69	17,720,321.76	1,452,785.90	19,084,870.57
Total.....	27,388,354.04	295,528,891.59	26,045,831.64	341,611,890.04

EXPENDITURES.

Civil and miscel- laneous.....	\$9,104,040.82	\$84,354,620.22	\$14,036,844.86	\$93,411,402.34
War.....	3,600,098.06	38,950,557.81	4,263,768.37	38,749,792.29
Navy.....	2,008,779.34	23,811,945.01	2,099,898.94	21,140,905.08
Indians.....	876,017.86	9,774,110.85	771,451.98	7,159,347.71
Pensions.....	12,705,035.01	109,552,610.08	264,191.80	97,174,355.28
National-bank fund, redemp- tion account..	1,038,445.00	14,191,814.50	1,540,086.50	19,196,671.50
Interest.....	1,765,660.88	19,016,898.73	2,354,951.61	36,091,822.31
Premium.....				10,401,220.61
Total.....	31,098,076.97	299,652,557.20	25,331,194.06	323,325,517.12

RECEIPTS.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	May.	Since July 1.	May.	Since July 1.
Customs.....	\$13,121,391.37	\$163,264,538.64	\$11,995,141.77	\$205,731,913.13
Internal revenue	13,050,106.75	138,763,332.85	12,232,704.18	132,216,628.99
National-bank deposit fund..	270,400.00	2,717,338.00	128,120.00	9,273,815.00
Miscellaneous....	2,056,900.33	20,968,974.78	3,061,459.99	22,890,360.17
Total.....	28,498,798.45	325,714,184.27	27,417,425.94	370,112,717.29

EXPENDITURES.

Civil and miscel- laneous.....	\$7,972,853.30	\$92,327,473.52	\$10,132,414.20	\$103,543,816.54
War.....	3,632,339.07	42,532,896.88	5,389,418.48	44,139,210.77
Navy.....	2,603,881.81	26,415,826.82	2,751,875.11	23,892,780.19
Indians.....	542,253.72	10,316,364.57	580,914.84	7,740,262.55
Pensions.....	12,908,339.24	122,460,949.32	8,519,169.53	105,693,524.81
National-bank fund, redemp- tion account..	1,022,684.50	15,214,499.00	2,081,758.50	21,278,430.00
Interest.....	4,073,126.75	23,090,025.48	316,534.49	36,408,356.80
Premium.....				10,401,220.61
Total.....	32,755,478.39	332,408,035.59	29,772,085.15	353,097,602.27

Comparative statement of the receipts and expenditures of the United States—Continued.

RECEIPTS.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	Month of June, 1892.	Since July 1, 1891.	Month of June, 1891.	Since July 1, 1890.
Customs.....	\$14,618,495.37	\$177,883,034.01	\$14,168,745.47	\$219,522,205.23
Internal revenue	14,779,922.34	153,543,255.19	13,726,652.43	145,686,249.44
National-bank deposit fund..	260,500.00	2,977,838.00	89,900.00	9,363,715.00
Miscellaneous....	1,560,200.27	22,529,175.05	3,736,451.61	27,403,992.64
Total.	31,219,117.98	356,933,302.25	31,721,749.51	401,976,162.31

EXPENDITURES.

Civil and miscel- laneous.....	\$7,606,018.09	\$99,933,491.61	\$6,595,523.30	\$110,048,167.49
War.....	4,314,346.16	46,897,243.04	4,583,906.08	48,720,065.01
Navy.....	2,760,368.30	29,176,195.12	2,222,318.26	26,113,896.46
Indians.....	830,621.51	11,146,986.08	785,925.69	8,527,469.01
Pensions.....	12,122,095.44	134,583,044.76	18,721,585.56	124,415,951.40
National-bank fund, redemp- tion account..	1,018,222.00	16,232,721.00	2,274,868.50	23,553,298.50
Interest.....	288,962.75	23,378,988.23	718,844.57	37,547,135.37
Premium.....	.....	.....	.....	10,401,220.61
Total.....	28,940,634.25	361,348,669.84	35,902,971.96	389,327,203.85

RECEIPTS.

Source.	Fiscal year ending June 30, 1892		Fiscal year ending June 30, 1891.	
	July.	Since July 1.	July.	Since July 1.
Customs.....	\$17,205,153.00	\$177,883,034.01	\$15,468,153.91	\$219,522,205.23
Internal revenue	14,866,118.33	153,543,255.19	14,551,867.92	145,686,249.44
National-bank deposit fund..	257,025.00	2,977,838.00	142,100.00	9,363,715.00
Miscellaneous....	2,243,059.92	22,529,175.05	4,138,222.85	27,403,992.64
Total.....	34,571,356.25	356,933,302.25	34,300,344.68	401,976,162.31

EXPENDITURES.

Civil and miscel- laneous.....	\$8,755,801.44	\$99,933,491.61	\$12,343,669.77	\$110,048,167.49
War.....	3,565,087.62	46,897,243.04	5,791,153.95	48,720,065.01
Navy.....	2,221,707.86	29,176,195.12	2,233,716.07	26,113,896.46
Indians.....	508,614.79	11,146,986.08	1,245,829.81	8,527,469.01
Pensions.....	14,235,140.15	134,583,044.76	13,663,326.43	124,415,951.40
National-bank fund, redemp- tion account..	915,430.50	16,232,721.00	1,698,617.00	23,553,298.50
Interest.....	7,047,624.68	23,378,988.23	2,822,598.31	37,547,135.37
Premium.....	.....	.....	.....	10,401,220.61
Total.....	37,249,407.04	361,348,669.84	39,798,911.34	389,327,203.85

Comparative statement of the receipts and expenditures of the United States—Continued.

RECEIPTS.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	August.	Since July 1.	August.	Since July 1.
Customs.....	\$18,271,668.55	\$35,476,821.55	\$15,164,674.61	\$30,632,828.52
Internal revenue	14,063,459.80	28,929,578.13	12,501,829.02	27,053,696.94
National-bank deposit fund..	553,870.00	810,895.00	110,870.00	252,970.00
Miscellaneous....	1,143,930.18	3,386,990.10	1,107,477.47	5,245,700.32
Total.....	34,032,928.53	68,604,284.78	28,884,851.10	63,185,195.78

EXPENDITURES.

Civil and miscellaneous.....	\$10,468,448.84	\$19,224,250.28	\$6,861,616.19	\$19,205,285.96
War.....	4,239,044.31	7,804,131.93	3,590,617.41	9,381,771.36
Navy.....	2,186,749.34	4,408,457.20	2,784,990.46	5,018,706.53
Indians.....	737,644.41	1,246,259.20	737,505.54	1,983,335.35
Pensions.....	13,478,067.56	27,713,207.71	5,094,323.88	18,757,650.31
National-bank fund, redemption account..	640,525.50	1,555,956.00	1,200,536.50	2,899,153.50
Interest.....	330,299.57	7,377,924.25	468,430.97	3,291,029.28
Premium.....	.....	.....	.....	.....
Total.....	32,080,779.53	69,330,186.57	20,738,020.95	60,536,932.29

RECEIPTS.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	September.	Since July 1.	September.	Since July 1.
Customs.....	\$17,209,947.88	\$52,686,769.43	\$14,120,940.30	\$44,753,768.82
Internal revenue	13,735,887.81	42,665,465.94	11,946,531.71	39,000,228.65
National-bank deposit fund..	43,650.00	854,545.00	835,693.00	1,088,663.00
Miscellaneous....	851,792.97	4,238,783.07	1,098,082.24	6,343,782.56
Total.....	31,841,278.66	100,445,563.44	28,001,247.25	91,186,443.03

EXPENDITURES.

Civil and miscellaneous.....	\$7,641,351.04	\$26,865,601.32	\$7,292,546.11	\$26,479,832.07
War.....	4,363,770.46	12,167,902.39	3,961,443.95	13,343,215.31
Navy.....	2,586,788.07	6,995,245.27	2,580,157.68	7,598,864.21
Indians.....	698,998.37	1,945,257.57	1,335,038.98	3,318,374.33
Pensions.....	12,654,367.13	40,367,574.84	6,682,878.75	25,440,529.06
National-bank fund, redemption account..	725,375.50	2,281,331.50	1,667,763.50	4,566,917.00
Interest.....	247,148.17	7,625,072.42	414,972.22	3,706,001.50
Premium.....	.....	.....	.....	.....
Total.....	28,917,798.74	98,247,985.31	23,934,801.19	84,471,733.48

Comparative statement of the receipts and expenditures of the United States—Continued.

RECEIPTS.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	Month of Oc- tober, 1892.	Since July 1, 1891.	Month of Oc- tober, 1891.	Since July 1, 1890.
Customs.....	\$16,366,558.62	\$69,053,328.05	\$13,980,687.43	\$58,734,456.25
Internal revenue	14,153,891.04	56,819,356.98	13,066,461.15	52,066,689.80
National-bank deposit fund..	547,598.00	1,402,143.00	111,990.00	1,200,653.00
Miscellaneous....	768,090.55	5,006,873.62	1,401,413.63	7,745,196.19
Total..	31,836,138.21	132,281,701.65	28,560,552.21	119,746,995.24

EXPENDITURES.

Civil and miscel- laneous.....	\$7,660,742.67	\$34,723,248.18	\$8,983,729.89	\$35,424,927.70
War.....	3,515,426.40	15,680,528.27	2,281,916.60	15,619,071.55
Navy.....	1,844,464.37	8,839,325.95	2,383,305.58	9,945,339.62
Indians.....	1,332,315.81	3,279,379.59	850,858.99	4,211,286.61
Pensions.....	11,682,410.59	52,049,924.31	10,976,593.69	36,417,859.40
National-bank fund, redemp- tion account..	693,288.00	2,974,619.50	1,221,457.50	5,788,374.50
Interest.....	5,152,602.34	12,777,582.26	5,174,405.77	8,880,000.53
Premium.....	.....	.....	.....	.....
Total.....	31,881,250.18	130,324,608.06	31,872,268.02	116,286,859.91

RECEIPTS.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	Month of No- vember, 1892.	Since July 1, 1891.	Month of No- vember, 1891.	Since July 1, 1890.
Customs.....	\$14,269,379.94	\$84,267,893.35	\$12,659,039.01	\$71,885,786.19
Internal revenue	13,050,706.64	69,769,861.09	12,480,326.54	64,630,234.87
National-bank deposit fund..	54,750.00	1,456,893.00	114,275.00	1,314,928.00
Miscellaneous....	1,419,808.80	7,146,322.28	1,663,522.17	9,981,352.52
Total.....	28,794,645.38	162,640,969.72	26,917,162.72	147,812,301.58

EXPENDITURES.

Civil and miscel- laneous.....	\$7,796,814.98	\$42,520,063.16	\$6,072,845.14	\$41,497,772.84
War.....	4,751,186.70	20,431,714.97	4,055,177.22	19,674,248.77
Navy.....	2,736,096.15	11,575,422.10	2,684,497.01	12,629,836.63
Indians.....	559,822.47	3,839,202.06	1,200,684.31	5,411,970.92
Pensions.....	13,431,871.00	65,481,795.31	11,783,598.71	48,200,458.11
National-bank fund, redemp- tion account..	1,108,104.50	4,082,724.00	1,754,954.50	7,543,329.00
Interest.....	364,986.98	13,142,569.24	359,245.41	9,239,245.94
Premium.....	.....	.....	.....	.....
Total.....	30,748,882.78	161,073,490.84	27,911,002.30	144,196,862.21

Comparative statement of the receipts and expenditures of the United States—Continued.

RECEIPTS.

Source.	Fiscal year ending June 30, 1892.		Fiscal year ending June 30, 1891.	
	Month of December, 1891.	Since July 1, 1891.	Month of December, 1890.	Since July 1, 1890.
Customs.....	\$16,308,334.25	\$100,576,227.60	\$13,836,555.64	\$85,722,341.83
Internal revenue	14,843,836.27	84,613,697.36	12,427,046.73	77,057,281.60
National-bank deposit fund..	145,947.50	1,602,840.50	286,470.00	1,601,398.00
Miscellaneous....	1,914,793.08	9,061,115.36	1,382,913.36	11,364,265.88
Total.....	33,212,911.10	195,853,880.82	27,932,985.73	175,745,287.31

EXPENDITURES.

Civil and miscellaneous.....	\$8,675,317.07	\$51,195,380.23	\$8,342,679.75	\$49,840,452.59
War.....	5,726,440.98	26,158,155.95	5,102,456.59	24,776,705.36
Navy.....	2,547,072.71	14,122,494.81	2,427,108.94	15,056,945.57
Indians.....	1,293,256.59	5,132,458.65	1,086,004.54	6,497,975.46
Pensions.....	14,942,108.41	80,423,903.72	13,140,769.05	61,341,227.16
National-bank fund, redemption account..	817,124.00	4,899,848.00	1,397,162.00	8,940,491.00
Interest.....	275,803.82	13,418,373.06	325,708.80	9,564,954.74
Premium.....	.....	.....	.....	.....
Total.....	34,277,123.58	195,350,614.42	31,821,889.67	176,018,751.88

RECEIPTS.

Source.	Fiscal year ending June 30, 1893.		Fiscal year ending June 30, 1892.	
	Month of January, 1893.	Since July 1, 1892.	Month of January, 1892.	Since July 1, 1891.
Customs.....	\$21,102,476.50	\$121,678,704.10	\$17,459,285.74	\$103,181,627.57
Internal revenue	12,052,917.57	96,666,614.93	11,439,956.70	88,497,238.30
National-bank deposit fund..	206,920.00	1,809,760.50	159,250.00	1,760,648.00
Miscellaneous....	1,847,658.24	10,908,773.60	1,484,236.16	12,848,502.04
Total.....	35,209,972.31	231,063,853.13	30,542,728.60	206,288,015.91

EXPENDITURES.

Civil and miscellaneous.....	\$10,451,683.25	\$61,590,496.33	\$9,473,706.04	\$59,271,930.22
War.....	4,270,785.65	30,429,290.74	4,067,179.34	28,842,751.63
Navy.....	2,319,309.60	16,441,957.41	2,489,355.26	17,545,431.60
Indians.....	1,167,567.03	6,299,421.36	950,365.05	7,448,175.76
Pensions.....	13,038,270.40	93,471,182.00	10,521,941.40	71,871,961.23
National-bank fund, redemption account..	901,929.50	5,801,777.50	1,488,172.50	10,428,663.50
Interest.....	7,103,836.25	20,521,935.31	6,672,801.01	16,238,680.75
Premium.....	.....	.....	.....	.....
Total.....	39,253,381.68	234,556,060.65	35,663,522.60	211,647,594.69

Comparative statement of the receipts and expenditures of the United States—Continued.

RECEIPTS.

Source.	Fiscal year ending June 30, 1893.		Fiscal year ending June 30, 1892.	
	Month of February, 1893.	Since July 1, 1892.	Month of February, 1892.	Since July 1, 1891.
Customs.....	\$16,936,395.28	\$138,615,099.38	\$16,782,419.95	\$119,896,874.59
Internal revenue	11,316,832.14	107,983,447.07	12,189,387.36	101,157,232.47
National-bank deposit fund..	311,750.00	2,121,510.50	56,960.00	1,817,608.00
Miscellaneous....	1,444,914.81	12,353,688.41	1,727,137.26	15,220,016.16
Total.....	30,009,892.23	261,073,745.36	30,755,904.57	238,091,731.22

EXPENDITURES.

Civil and miscellaneous.....	\$9,322,334.69	\$70,912,831.02	\$8,223,430.67	\$67,495,360.89
War.....	3,665,027.94	34,094,318.68	3,072,548.00	31,915,299.63
Navy.....	2,836,969.00	19,278,926.41	1,852,926.67	19,398,358.27
Indians.....	1,225,054.07	7,524,475.43	487,763.85	7,935,939.61
Pensions.....	13,494,663.26	106,965,845.26	11,561,447.31	83,433,408.54
National-bank fund, redemption account..	811,181.00	6,612,958.50	1,519,333.50	11,947,997.00
Interest.....	322,224.04	20,844,159.35	764,609.13	17,003,289.88
Premium.....	.....	.....	.....	.....
Total.....	31,677,454.00	266,233,514.65	27,482,059.13	239,129,653.82

APPENDIX C.

YEA AND NAY VOTES ON PARTY QUESTIONS.

REMARKS.

Several important measures were passed at the last session of Congress without a division because they did not involve party questions. This is true of the free alcohol bill, the consular reform bill and the naturalization bill.

The Panama canal bill involved only a question of engineering, and hence the votes on it were not divided on party lines. Both Republicans and Democrats declared for the Nicaragua Canal in 1892.

WAS A NON-PARTISAN MEASURE.

The pure food bill—18 Democrats voted for it and only 4 against it. On the final passage of the Railroad Rate bill, there was no yea-and-nay vote in the House of Representatives. (Record, June 11, 1906, p. 8781.) Democrats and Republicans alike voted for the bill after the Senate had amended it, though the Democrats thought it still an imperfect bill. Many Democrats tried to amend and perfect the bill when it first passed the House. The Democrats also voted for the Statehood bill after it had been properly amended in the Senate. The meat inspection amendment to the Agricultural appropriation bill was also passed without a yea-and-nay vote. The Democrats favored the inspection of meats, but insisted that the packers should pay the cost to police their wrongdoing, while the Republicans insisted that the Government should pay it, and provided for such payment by the law as it passed.

The real contests of the session occurred on the several amendments to the Railroad Rate bill, the Foraker amendment to the Statehood bill, the bill to pay the traveling expenses of the President, the resolution restricting the purchase of material and equipment for the construction of the Panama canal to domestic products, the ratification of executive usurpations, the ship subsidy bill, and the amendment to the urgent deficiency bill abolishing the eight hour law as to the Panama canal. The votes on these party issues are given in detail below:

YEA AND NAY VOTES IN THE SENATE.

On Ship Subsidy, Statehood (Foraker Amendment), Railroads, Panama Canal Supplies, and President's Traveling Expenses and Ratification of Executive Usurpations.

THE SHIP SUBSIDY BILL.

On February 14, 1906, the Senate passed the bill (S. 529) "to promote the national defenses, to create a force of naval volunteers, to establish American ocean mail lines to foreign markets,

to promote commerce, and to provide revenue from tonnage." This is the title of the ship-subsidy bill. Thirty-eight Republicans voted for it, while 23 Democrats and 4 Republicans (Burkett, Dolliver, La Follette and Spooner) voted against it. The vote in detail was as follows:

YEAS—38.

Aldrich	Clark, Wyo.	Gamble	Long	Platt
Allee	Crane	Hale	McCumber	Scott
Allison	Dick	Hansbrough	Millard	Smoot
Ankeny	Dryden	Hemenway	Nelson	Sutherland
Brandegge	Foraker	Heyburn	Nixon	Warren
Burnham	Frye	Hopkins	Penrose	Wetmore
Burrows	Fulton	Kean	Perkins	
Carter	Gallinger	Lodge	Piles	

NAYS—27.

Bacon	Dolliver	Latimer	Patterson	Tallaferro
Blackburn	Dubois	McCreary	Pettus	Teller
Burkett	Foster	McLaurin	Rayner	Warner
Clarke, Ark.	Frazer	Morgan	Simmons	
Clay	Gearin	Newlands	Spooner	
Daniel	LaFollette	Overman	Stone	

NOT VOTING—24.

Alger	Burton	Cullom	Gorman	Martin
Bailey	Carmack	Depew	Kittridge	Money
Berry	Clapp	Dillingham	Knox	Proctor
Beveridge	Clark, Mont.	Elkins	McEnery	Tillman
Bulkeley	Culberson	Flint	Mallory	

Of those not voting Bailey, Clark of Montana, Martin, Money and Tillman (Democrats), against the bill, were paired with Alger, Beveridge, Cullom, Dillingham and Elkins (Republicans) for it. (See Cong. Record, pp. 2536-7.)

STATEHOOD BILL (FORAKER AMENDMENT).

On March 9, 1906, when the Statehood bill (H. R. 12707) was under consideration, Senator Foraker (Republican) offered the following amendment:

"Sec. 23. That within thirty days after the approval of this act the governors of the Territories of New Mexico and Arizona, respectively, shall each by proclamation order a special election to be held on the twelfth Tuesday after the approval of this act. Said elections shall be conducted in all respects, including the qualifications and registration of voters, and the result ascertained and certified as near as practicable in accordance with the laws of said Territories, respectively, governing the election of a Delegate in Congress. The sole question to be submitted to the electors of each of said Territories at such special election shall be stated on the ballot in substance and form as follows:

"Shall Arizona and New Mexico be united to form one State?



Yes.



No.

"Electors desiring to answer in the affirmative shall place a cross mark in the square to the left of the word 'Yes,' and those desiring to answer in the negative shall place a cross-mark in the square to the left of the word 'No' in the form above prescribed. The governors of the respective territories shall certify and transmit, as soon as may be practicable, the results of said election each to the other and likewise to the Secretary of the Interior, and if it appears from the returns thus certified that a majority of the electors in each of said Territories

who voted at such special election voted in favor of the union of New Mexico and Arizona as one State, then, and not otherwise, the inhabitants of that part of the area of the United States now constituting the Territories of Arizona and New Mexico as at present described may become the State of Arizona as hereinafter provided; but if in either of said Territories a majority of the electors voting at such special election shall appear by such certified returns to have voted against the union of said Territories, then, and in that event, all succeeding sections of this act shall thereafter be null and void and of no effect." (Cong. Record, p. 3657.)

Twenty-four Democrats and 18 Republicans voted for this amendment, while 29 Republicans voted against it. The vote in detail was as follows:

YEAS—42.

Alger	Culberson	Gallinger	Morgan	Spooner
Bacon	Daniel	Gearin	Newlands	Stone
Blackburn	Dryden	Hansbrough	Nixon	Sutherland
Bulkeley	Dubois	Heyburn	Patterson	Tallaferro
Burrows	Flint	Latimer	Perkins	Teller
Carter	Foraker	McCreary	Pettus	Tillman
Clark, Mont.	Foster	McCumber	Rayner	
Clark, Wyo.	Frazier	Mallory	Scott	
Clay	Fulton	Martin	Simmons	

NAYS—29.

Allee	Clapp	Gamble	LaFollette	Piles
Allison	Crane	Hale	Lodge	Proctor
Ankeny	Cullom	Hemenway	Long	Smoot
Beveridge	Dick	Hopkins	Millard	Warner
Brandegee	Dillingham	Kean	Nelson	Wetmore
Burnham	Dolliver	Knox	Penrose	

NOT VOTING—18.

Aldrich	Burton	Elkins	McEnery	Platt
Carmack	Burkett	Frye	McLaurin	Warren
Bailey	Clarke, Ark.	Gorman	Money	
Berry	Depew	Kittredge	Overman	

(See Cong. Record, p. 3657.)

Of those not voting, Bailey, Berry, Gorman, McEnery, McLaurin, Money, Overman (Democrats), and Platt (Republican), were paired for the amendment; while Burkett, Depew, Elkins, Frye, Kittredge, Nelson and Warren (Republicans), and Clarke, of Arkansas (Democrat) were paired against it.

ON THE BAILEY AMENDMENT TO THE RAILROAD RATE BILL.

On May 10, 1906, Senator Bailey, of Texas, offered the following amendment to the Railroad Rate bill (H. R. 12987):

"Provided, however, That no order of the Commission shall be set aside or suspended by any preliminary or interlocutory decree or order of any court or judge." (Cong. Record, p. 6873.)

On this amendment 20 Democrats and 3 Republicans (Burkett, Hale and La Follette) voted yea. The vote in detail was as follows:

YEAS—23.				
Bailey	Dubois	McCreary	Rayner	Burkett
Berry	Foster	McEnery	Simmons	Hale
Blackburn	Fralzer	McLaurin	Stone	LaFollette
Clarke, Ark.	Gearin	Martin	Teller	
Clay	Latimer	Overman	Tillman	

NAYS—54.

Aldrich	Clapp	Fulton	McCumber	Sutherland
Alger	Clark, Wyo.	Gallinger	Millard	Warner
Allee	Crane	Gamble	Nelson	Wetmore
Allison	Cullom	Hansbrough	Nixon	Clark, Mont.
Ankeny	Dillingham,	Hemenway	Penrose	Culberson
Bacon	Dolliver	Hopkins	Perkins	Daniel
Beveridge	Dryden	Kean	Piles	Morgan
Brandegge	Elkins	Kittredge	Platt	Newlands
Bulkeley	Flint	Knox	Scott	Pettus
Burrows	Foraker	Lodge	Smoot	Tallaferro
Carter	Frye	Long	Spooner	

NOT VOTING—12.

Burnham	Dick	Warren	Gorman	Money
Burton	Heyburn	Carmack	Mallory	Patterson
Depew	Proctor			

(Cong. Record, p. 6874.)

Of those not voting, Dick, Proctor and Warren (Republicans), were paired against the amendment, and Carmack, Mallory and Money (Democrats), for it.

CULBERSON AMENDMENT.

On May 11, 1906 (Cong. Record, p. 6874), the following amendment was offered by Mr. Culberson, of Texas:

“Provided, That if such rate so fixed by the Commission is in violation of the rights of any party in interest secured by the Constitution of the United States the party so affected may proceed against the Commission by appropriate proceedings in equity in any circuit court of the United States of competent jurisdiction to enjoin the enforcement of such order and rate: Provided, further, That in determining what is a just and reasonable rate no consideration shall be given fictitious stock issued by the carrier, or bonds or other obligations of the carrier, issued in excess of the fair value of its property: Provided, further, That no circuit or other court of the United States, and no judge thereof in vacation, shall annul, restrain, enjoin, or otherwise interfere with the enforcement or operation of a rate and order established and made by the Interstate Commerce Commission provided for in this act until a petition, declaration, bill of complaint, or other proper statement of the cause of action is filed in said court or presented to said judge in vacation and the Interstate Commerce Commission is duly and legally served with a copy thereof at least ten days prior to any action taken by the court or judge thereon and until said Commission has had opportunity within said ten days to answer by proper pleadings and present testimony in like form as the complainants therein: Provided, further, That in such proceedings either party to the suit may appeal immediately and directly to the Supreme Court of the United States from the final decree therein, or from any interlocutory or preliminary restraining order therein, whether granted during the term or in vacation, by which the rate and order so established and made by the Commission is enjoined in whole or in part: Provided, further, That said appeal must be taken within thirty days from the entry of such order or decree, and said case so appealed shall

be advanced and take precedence in the Supreme Court of all cases of a different character therein: Provided, further, That the circuit court, or the judge thereof, or the Supreme Court, or any justice thereof, may direct that the final decree or the interlocutory or preliminary restraining order, from which an appeal is taken, shall be stayed during the pendency of such appeal."

Twenty-eight Democrats and one Republican (La Follette) voted for this amendment, while 50 Republicans voted against it. The following is the vote in detail:

YEAS—29.

Bacon	Culberson	LaFollette	Money	Simmons
Berry	Daniel	Latimer	Morgan	Stone
Blackburn	Dubois	McCreary	Newlands	Tallaferro
Clark, Mont.	Foster	McEnery	Overman	Teller
Clarke, Ark.	Frazier	McLaurin	Pettus	Tillman
Clay	Gearin	Martin	Rayner	

NAYS—50.

Aldrich	Burrows	Elkins	Hopkins	Penrose
Alger	Carter	Flint	Kean	Perkins
Allee	Clapp	Foraker	Kittredge	Piles
Allison	Clark, Wyo.	Frye	Knox	Platt
Ankeny	Crane	Fulton	Lodge	Scott
Beveridge	Cullom	Gallinger	Long	Smoot
Brandegee	Dick	Gamble	McCumber	Sutherland
Bulkeley	Dillingham	Hale	Millard	Warner
Burkett	Dolliver	Hansbrough	Nelson	Warren
Burnham	Dryden	Hemenway	Nixon	Wetmore

NOT VOTING—10.

Bailey	Carmack	Gorman	Mallory	Proctor
Burton	Depew	Heyburn	Patterson	Spooner

(Cong. Record, p. 6875.)

Of those not voting, Carmack, Gorman and Mallory were paired for the amendment, with Spooner, Depew and Proctor against it.

LA FOLLETTE'S AMENDMENT TO SECURE DISINTERESTED ADJUDICATIONS.

On May 12, 1906 (Cong. Record, p. 6973), Senator La Follette offered the following amendment to the Allison amendment which provided for a broad court review:

"Every Federal judge who owns any share of the capital stock or any of the bonds of a common carrier subject to the provisions of this act, or who accepts or uses, or who procures for the use of any person, any pass or privilege for transportation withheld from any other person, is hereby disqualified and prohibited from hearing or passing upon as such judge any motion, question, application, proceeding, or from presiding at or hearing any trial arising under the provisions of this act."

Forty Republicans voted to lay this amendment on the table—to kill it—while 25 Democrats and 2 Republicans (Gallinger and

La Follette) voted against the motion to table it. The vote stood:

YEAS—40.

Aldrich	Burrows	Dryden	Hansbrough	Perkins
Alger	Carter	Elkins	Hopkins	Piles
Allee	Clapp	Flint	Kean	Scott
Allison	Clark, Wyo.	Foraker	Kittredge	Smoot
Ankeny	Cullom	Frye	Lodge	Spooner
Brandegee	Dick	Fulton	Long	Sutherland
Bulkeley	Dillingham	Gamble	Millard	Warner
Burnham	Dolliver	Hale	Nixon	Wetmore

NAYS—27.

Bacon	Culberson	Gearin	Morgan	Tallaferro
Bailey	Daniel	LaFollette	Newlands	Teller
Berry	Dubois	McCreary	Overman	Tillman
Blackburn	Foster	McCumber	Rayner	
Clarke, Ark.	Frazier	McLaurin	Simmons	
Clay	Gallinger	Martin	Stone	

NOT VOTING—22.

Beveridge	Crane	Knox	Nelson	Proctor
Burkett	Depew	Latimer	Patterson	Warren.
Burton	Gorman	McEnery	Penrose	
Carmack	Hemenway	Mallory	Pettus	
Clark, Mont.	Heyburn	Money	Platt	

(Cong. Record, p. 6973.)

Of those not voting, Proctor and Warren were paired with Mallory and Money.

VOTE ON MORGAN AMENDMENT RELATING TO RIGHT TO SUE IN THE COURTS.

On May 14, Senator Morgan, Democrat, of Alabama, offered the following amendment:

"That nothing in this act contained shall be construed as depriving any person who sues in his own right and name from instituting any suit under its provisions, or any other suit, at law or in equity, in any State court, or in any court of the United States, against any common carrier." (Cong. Record, p. 7017.)

Twenty-one Democrats and 2 Republicans (Platt and Scott) voted for this amendment, while 40 Republicans and 1 Democrat voted against it. The vote in detail was as follows:

YEAS—23.

Berry	Daniel	Latimer	Morgan	Simmons
Blackburn	Dubois	McEnery	Pettus	Tallaferro
Bulkeley	Foster	McLaurin	Platt	Tillman
Clark, Mont.	Frye	Mallory	Rayner	
Clay	Gearin	Martin	Scott	

NAYS—41.

Aldrich	Carter	Flint	Kittredge	Piles
Alger	Clapp	Foraker	Knox	Proctor
Allee	Clarke, Ark.	Fulton	Lodge	Sutherland
Allison	Crane	Gallinger	Long	Warner
Ankeny	Cullom	Gamble	McCumber	Wetmore
Brandegee	Dick	Hansbrough	Millard	
Burkett	Dillingham	Hemenway	Nelson	
Burnham	Dolliver	Hopkins	Nixon	
Burrows	Dryden	Kean	Perkins	

NOT VOTING—25.

Bacon	Clark, Wyo.	Gorman	Money	Smoot
Bailey	Culberson	Hale	Newlands	Spooner
Beveridge	Depew	Heyburn	Overman	Stone
Burton	Elkins	LaFollette	Patterson	Teller
Carmack	Frazier	McCreary	Penrose	Warren

(Cong. Record, p. 7017.)

Of those not voting, Spooner was paired against, and Carmack for it.

LA FOLLETTE AMENDMENT REGARDING VALUATION OF RAILROAD PROPERTY.

On May 14, 1906, Senator La Follette offered the following amendment:

“Section 7a. That section 19 of said act be amended by adding thereto a new section to be known as section 19a, and to read as follows:

“Section 19a. The Commission shall investigate and ascertain the fair value of the property of every railroad engaged in interstate commerce, as defined in this act, and used by it for the convenience of the public. For the purpose of such investigation the Commission is authorized to employ such engineers, experts, and other assistants as may be necessary. Such investigation shall be commenced not later than July 1, 1906, and shall be prosecuted with diligence and thoroughness and the results thereof reported to Congress at the beginning of each regular session. Such valuation shall show the value of the property of every railroad as a whole, and the value of its property in each of the several States or Territories or the District of Columbia. Every such railroad shall furnish to the Commission, from time to time, and as the Commission may require, maps, profiles, contracts, reports of engineers, and other documents, records, and papers, or copies of any or all of the same, in aid of such investigation and determination of the value of said railroad and every such railroad is required to cooperate with the Commission in the work of the valuation of its property in such further particulars and to such extent as the Commission may direct.

“The Commission shall, thereafter, in like manner, keep itself, informed of all extensions and improvements or other changes in the conditions of the property of the said railroads, and ascertain the fair value thereof, and from time to time, as may be required for the regulation of railways under the provisions of this act, revise and correct its valuation of railway property. To enable the Commission to make such changes and corrections in its valuation, every railroad engaged in interstate commerce, as defined in this act, is required to report currently to the Commission, and as the Commission may require, all improvements and changes in its property, and to file with the Commission copies of all contracts for such improvements at the time the same are executed.

“Whenever the Commission shall have completed the valuation of the property of any railroad, and before said valuation shall become final, the Commission shall give notice by registered letter, to the company or companies owning or operating said railroad, stating the valuation placed upon the several lines of road and classes of property of the said company, used by it for the convenience of the public, and shall allow the company or companies twenty days in which to file a protest of the same with the Commission. If no protest is filed, within twenty days, such valuation shall become final.

“If notice of contest is filed by any railroad the Commission shall fix a time for hearing the same, and shall proceed as promptly as may be to hear and consider any matter relative and material thereto presented by such railroad in support of its protest so filed as afore-

said. If after hearing any contest of such valuation under the provisions of this act, the Commission is of the opinion that its valuation is incorrect, it shall make such changes as shall make the same a fair valuation of such property, and shall issue an order making such corrected valuation final. All final valuations by the Commission shall be prima facie evidence of the fair value of the railroad property in all proceedings under this act." (Cong. Record, p. 7011.)

Thirty-nine Republicans and one Democrat voted to lay this amendment on the table, while 22 Democrats and 5 Republicans (Elkins, Burkett, La Follette, Gamble and Warner) voted against the motion to table. The vote in detail as it stands in the Congressional Record, p. 7014, is as follows:

YEAS—40.

Aldrich	Clark, Wyo.	Frye	Kittredge	Nixon
Alger	Crane	Fulton	Knox	Penrose
Allee	Cullom	Gallinger	Lodge	Perkins
Ankeny	Dick	Hale	Long	Piles
Brandegee	Dillingham	Hansbrough	McCumber	Platt
Bulkeley	Dryden	Hemenway	McEnery	Scott
Burnham	Flint	Hopkins	Millard	Sutherland
Carter	Foraker	Kean	Nelson	Wetmore

NAYS—27.

Bacon	Clay	Frazier	McLaurin	Teller
Bailey	Culbertson	Gamble	Mallory	Tillman
Berry	Dolliver	Gearin	Newlands	Warner
Blackburn	Dubois	LaFollette	Overman	
Burkett	Elkins	Latimer	Simmons	
Clarke, Ark.	Foster	McCreary	Tallaferro	

NOT VOTING—22.

Allison	Clapp	Heyburn	Pettus	Stone
Beveridge	Clark, Mont.	Martin	Proctor	Warren
Burrows	Daniel	Money	Rayner	
Burton	Depew	Morgan	Smoot	
Carmack	Gorman	Patterson	Spooner	

(Cong. Record, p. 7014.)

Of those not voting Carmack and Money (Democrats) were paired against the motion to table, and Spooner and Warren (Republicans) for it.

LA FOLLETTE AMENDMENT TO PROVIDE EMPLOYERS' LIABILITY FOR INJURIES TO EMPLOYEES.

On May 14, Senator La Follette offered the following amendment:

"Section 20 (a). That every common carrier by railroad subject to the provisions of this act shall be liable for damages for all injuries, whether resulting in death or not, sustained by any of its employees, subject to the provisions hereinafter contained regarding contributory negligence on the part of the injured employee:

"a. When such injury is caused by a defect in any locomotive, engine, car, rail, track, roadbed, machinery, or appliance required by said common carrier to be used by its employed in and about the business of their employment.

"b. When such injury shall have been sustained by any officer, agent, servant, or employee of such common carrier while engaged in the line of his duty as such and which injury shall have been caused

in whole or in greater part by the carelessness or negligence of any other employee, officer, agent, or servant of such common carrier in the discharge of or by reason of failure to discharge his duties as such.

"In every action to recover damages for such injuries or death the court shall submit to the jury the question whether the employee injured or killed was guilty of contributory negligence and shall instruct the jury that if they shall answer such question in the affirmative, that they shall then answer the following question: Was the negligence of the employee injured (or killed) slighter or greater as a contributing cause to such injury (or death) that the negligence or carelessness of the common carrier, or any other officer, agent, or employee of such common carrier? And in all cases where the jury shall find the carelessness or negligence of the common carrier, or any other officer, agent, employee, of such common carrier, was greater than the negligence of the employee so injured or killed and contributed in a greater degree to such injury or death, then the plaintiff shall be entitled to recover, and the negligence, if any, of the employee so injured or killed shall be no bar to such recovery, and in all cases under this act the questions of negligence and contributory negligence shall be for the jury." (Cong. Record, p. 7017.)

Twenty-three Democrats and 5 Republicans (Burkett, Fulton, Gamble, Kittredge and La Follette) voted for this amendment, while 42 Republicans and 3 Democrats voted against it. The vote in detail was as follows:

YEAS—28.

Bacon	Clay	Gamble	Mallory	Stone
Bailey	Culberson	Gearin	Morgan	Taliaferro
Berry	Daniel	Kittredge	Newlands	Teller
Blackburn	Dubois	LaFollette	Overman	
Burkett	Frazier	Latimer	Rayner	
Clarke, Ark.	Fulton	McCreary	Simmons	

NAYS—45.

Aldrich	Clapp	Flint	Long	Pettus
Allee	Clark, Wyo.	Foraker	McCumber	Piles
Alger	Crane	Frye	McEnery	Platt
Allison	Cullom	Gallinger	McLaurin	Proctor
Ankeny	Dick	Hansbrough	Millard	Scott
Brandegee	Dillingham	Hopkins	Nelson	Smoot
Bulkeley	Dolliver	Kean	Nixon	Sutherland
Burnham	Dryden	Knox	Penrose	Warner
Carter	Elkins	Lodge	Perkins	Wetmore

NOT VOTING—16.

Beveridge	Clark, Mont.	Gorman	Heyburn	Spooner
Burrows	Depew	Hale	Money	Tillman
Burton	Foster	Hemenway	Patterson	Warren
Carmack				

(Cong. Record, p. 7027.)

Of those not voting, Carmack and Money were paired for the amendment, and Spooner and Warren against it.

ON THE ALDRICH RESOLUTION.

Purchase of Material and Equipment for the Panama Canal.

On June 2, 1906, the Senate passed the following joint resolution (S. R. 60):

"Resolved, etc., That purchase of material and equipment for use in the construction of the Panama Canal shall be restricted to articles of domestic production and manufacture unless the President

deems the bids therefor to be extortionate or unreasonable, in which case bids may be invited and contracts awarded for material and equipment of foreign production or manufacture to the extent of the consumption of such articles that may be required in the construction of said canal." (Cong. Record, p. 7957.)

Thirty-nine Republicans voted for this resolution, while 16 Democrats voted against it. The vote in detail was as follows:

YEAS—39.

Aldrich	Carter	Foraker	LaFollette	Spooner
Ankeny	Clapp	Frye	Lodge	Sutherland
Beveridge	Clark, Wyo.	Fulton	Long	Teller
Brandegge	Cullom	Gallinger	McCumber	Warner
Bulkeley	Dick	Hale	Millard	Warren
Burkett	Dillingham	Hansbrough	Perkins	Wetmore
Burnham	Dolliver	Kean	Piles	
Burrows	Flint	Kittredge	Scott	

NOT VOTING—34.

Bacon	Daniel	Martin	Rayner
Bailey	Dubois	Money	Simmons
Clay	Frazier	Overman	Stone
Culberson	McCreary	Patterson	Taliaferro

NAYS—16.

Alger	Clark, Mont.	Gamble	Latimer	Nixon
Allee	Clarke, Ark	Gearin	McEnery	Penrose
Allison	Crane	Gorman	McLaurin	Pettus
Barry	Depew	Hemenway	Mallory	Platt
Blackburn	Dryden	Heyburn	Morgan	Proctor
Burton	Elkins	Hopkins	Nelson	Tillman
Carmack	Foster	Knox	Newlands	

(See Cong. Record, p. 7959.)

Of those not voting, Foster, Mallory, Morgan, Carmack, Tillman and Latimer (Democrats) were paired against the resolution, and Penrose, Proctor, Allison, Heyburn, Platt and Hopkins (Republicans) for it.

On the same day, June 2, 1906, Senator Bacon offered the following amendment to the Aldrich resolution:

“Provided, That in making said purchases a larger price shall not be paid for any such article of domestic production or manufacture than the price at which the same or similar articles of domestic production or manufacture are sold or offered for sale in foreign markets or for export to foreign countries; and for the ascertainment of the prices at which articles are sold or offered for sale in foreign countries the Secretary of Commerce and Labor is hereby directed to procure, so far as practicable, and to report to the President the following information:

“First. What articles and classes of goods produced or manufactured in the United States such as are required as material and equipment in the construction of the Panama Canal have during the year ending December 31, 1905, been sold or offered for sale in foreign countries or for export to foreign countries by the producers or manufacturers thereof, or through their representatives or agents, at prices less than the same and similar articles and classes of goods were during the same period sold in the United States by the producers or manufacturers thereof, or through their representatives or agents, having special reference in said report to all classes of tools, machinery, steel rails, cars, engines, dredges, vehicles, cement, and other material largely and principally required in the construction of said canal and in the maintenance, equipment and operation of the Panama Railroad.

"Second. What, separately stated as to each class of goods and with specification of articles so far as practicable, was the general average during the said period of the comparative prices in sales in the United States and in the several foreign countries.

"The Secretary of Commerce and Labor is further directed to make said reports as soon as practicable, and thereafter in the year 1907 and in each succeeding year during the continuance of the construction of said canal it shall be his duty to procure the said information and to report to the President concerning said sales in the United States and in foreign countries during the calendar year next preceding the said report." (See Congressional Record, p. 7943.)

Fifteen Democrats voted for this amendment and 7 were paired for it, while 37 Republicans voted, and 7 were paired, against it. The vote in detail was as follows:

YEAS—15.

Bacon	Dubois	Latimer	Overman	Simmons
Clay	Frazier	McCreary	Patterson	Stone
Culberson	LaFollette	Money	Rayner	Taliaferro

NAYS—37.

Aldrich	Carter	Frye	Long	Sutherland
Ankeny	Clapp	Fulton	Millard	Teller
Beveridge	Clark, Wyo.	Gallinger	Nelson	Warner
Brandegge	Dick	Hale	Perkins	Warren
Bulkeley	Dillingham	Hansbrough	Piles	Wetmore
Burkett	Dolliver	Kean	Scott	
Burnham	Flint	Kittredge	Smoot	
Burrows	Foraker	Knox	Spooner	

NOT VOTING—37.

Alger	Clark, Mont.	Foster	McCumber	Penrose
Allee	Clarke, Ark.	Gamble	McEnery	Pettus
Allison	Crane	Gearin	McLaurin	Platt
Bailey	Cullom	Gorman	Mallory	Proctor
Berry	Daniel	Hemenway	Martin	Tillman
Blackburn	Depew	Heyburn	Morgan	
Burton	Dryden	Hopkins	Newlands	
Carmack	Elkins	Lodge	Nixon	

(See Congressional Record, p. 7952.)

Of those not voting, Mallory, Martin, Berry, Pettus, Carmack, Foster and Gearin (Democrats) were paired for the amendment; and Heyburn, Cullom, Dryden, Crane, McCumber and Lodge (Republicans) against it.

VOTE ON THE BILL (H. R. 20,321) TO PROVIDE FOR THE TRAVELING EXPENSES OF THE PRESIDENT.

On June 22 the Senate passed the following bill:

"Be it enacted, etc., That hereafter there may be expended for or on account of the traveling expenses of the President of the United States such sum as Congress may from time to time appropriate, not exceeding \$25,000 per annum, such sum when appropriated to be expended in the discretion of the President and accounted for on his certificate solely.

"There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purposes authorized by this act for the fiscal year 1907, the sum of \$25,000." (Cong. Record, p. 9224.)

Forty-two Republicans voted for this bill and 20 Democrats against it. The vote in detail was as follows:

YEAS—42.

Allee	Carter	Gallinger	LaFollette	Smoot
Ankeny	Clapp	Gamble	Lodge	Spooner
Benson	Crane	Hale	Long	Sutherland
Beveridge	Cullom	Hansbrough	Millard	Warner
Brandegee	Dick	Hemenway	Nelson	Warren
Bulkeley	Dillingham	Heyburn	Penrose	Wetmore
Burkett	Dolliver	Hopkins	Perkins	
Burnham	Elkins	Kean	Piles	
Burrows	Foraker	Kittredge	Proctor	

NAYS—20.

Bacon	Carmack	Latimer	Mallory	Pettus
Bailey	Clay	McCreary	Martin	Simmons
Berry	Daniel	McCumber	Overman	Stone
Blackburn	Frazier	McLaurin	Patterson	Taliaferro

NOT VOTING—27.

Aldrich	Culberson	Frye	Morgan	Teller
Alger	Depew	Fulton	Newlands	Tillman
Allison	Dryden	Gearin	Nixon	Whyte
Clark, Mont.	Dubois	Knox	Platt	
Clark, Wyo.	Flint	McEnery	Rayner	
Clarke, Ark.	Foster	Money	Scott	

(Cong. Record, p. 9238.)

Of those not voting, Clark, of Mont.; Dubois, Gearin, Money, Morgan, Newlands, Rayner and Whyte (Democrats) were paired against the bill; Alger, Allison, Clark, of Wyo.; Dryden, Flint, Frye, Fulton, Knox and Nixon (Republicans) for it.

YEA AND NAY VOTES IN THE HOUSE OF REPRESENTATIVES.

ON STATEHOOD BILL (H. R. 12,707).

On January 25, 1906, the House of Representatives passed the Hamilton Statehood bill for the admission of Oklahoma and Indian Territory jointly as one State, and of New Mexico and Arizona jointly as another. The Democrats opposed the bill because, while favoring the admission of Oklahoma and Indian Territory jointly as one State, they were opposed to FORCING JOINT statehood upon *New Mexico* and *Arizona* against the *wishes* of the people of those Territories, and favored the plan subsequently adopted by the Senate in the Foraker amendment, and finally made a part of the bill as it became a law. Many Western Republicans joined the Democrats in this struggle for fair play—"the consent of the governed"—but the administration secured 195 votes for the measure. The vote in detail was as follows:

YEAS—195.

Acheson	Curtis	Hamilton	McCarthy	Sibley
Adams, Pa.	Dale	Haskins	McCleary,	Smith, Ill.
Alexander	Dalzell	Haugen		Minn. Smith, Iowa.
Allen, Me.	Darragh	Hedge	McGavin	Smith,
Allen, N. J.	Davis, Minn.	Henry, Conn.	McKinley, Ill.	Wm. Alden
Ames	Dawes	Hepburn	McKinney	Smith, Pa.
Bannon	Dawson	Higgins	Madden	Smyser
Barchfield	Deemer	Hill, Conn.	Mahon	Southard
Bartholdt	Denby	Hinshaw	Mann	Southwick
Bates	Dickson, Ill.	Hoar	Martin	Sperry
Bennett, N.Y.	Dixon, Mont.	Hogg	Michalek	Stafford
Bennett, Ky.	Dovener	Holiday	Miller	Steenerson
Bingham	Draper	Howell, N. J.	Moon, Pa.	Snapp
Birdsall	Dresser	Hubbard	Morrell	Sterling
Bishop	Driscoll	Huff	Mouser	Stevens,
Blackburn	Dunwell	Hughes	Murdock	Minn.
Boutell	Dwight	Hull	Nevin	Sulloway
Bowersock	Edwards	Jenkins	Norris	Tawney
Bradley	Ellis	Kelfer	Olcott	Taylor, Ohio
Brick	Fassett	Kennedy,	Olmsted	Tirrell
Brownlow	Flack	Neb.	Overstreet.	Townsend
Buckman	Fletcher	Kinkaid	Palmer	Tyndall
Burke, Pa.	Foss	Klepper	Parker	VanWinkle
Burke, S. Da.	Foster, Ind.	Knapp	Parsons	Volstead
Burleigh	Foster, Vt.	Knopf	Patterson,	Vreeland
Burton, Ohio	Fowler	Lacey	Penn.	Waldo
Butler, Pa.	Fulkerson	Lafean	Payne	Wanger
Calder	Fuller	Landis	Pearre	Watson
Campbell,	Gaines,	Chas. B.	Perkins	Weber
Kansas	W. Va.	Landis,	Pollard	Weeks
Campbell, O.	Gardner,	Frederick	Powers	Weems
Capron	Mass.	Law	Reynolds	Welborn
Cassel	Gardner,	Lawrence	Rhodes	Wharton
Chaney	Mich.	Lefevre	Rives	Wiley, N. J.
Chapman	Gardner, N. J.	Lilley, Conn.	Roberts	Wilson
Cocks	Gilbert, Ind.	Littauer	Rodenberg	Wood, N. J.
Cole	Gillett, Mass.	Littlefield	Samuel	Woodyard
Connor	Graff	Longworth	Schneebell	The Speaker
Cooper, Pa.	Greene	Lorimer	Scott	
Cooper, Wis.	Gronna	Loudenslager	Scroggy	
Cousins	Grosvenor	Lovering	Shartel	
Currier	Hale	McCall	Sherman	

NAYS—150.

Adams, Wis.	Fitzgerald	James	Mondell	Sherley
Adamson	Flood	Johnson	Moon, Tenn.	Sims
Aiken	Floyd	Jones, Va.	Moore	Slayden
Babcock	French	Jones, Wash.	Mudd	Small
Bankhead	Gaines, Tenn.	Kahn	Murphy	Smith, Cal.
Bartlett	Garner	Kellher	Needham	Smith, Ky.
Beall, Tex.	Gurgett	Kitchin,	Padgett	Smith, Md.
Bede	Gilbert, Ky.	Claude Page		Smith, Tex.
Beidler	Gill	Kitchin,	Patterson,	Sparkman
Bonyng	Gillespie	Wm. W.	N. C.	Spight
Bowers	Gillett, Cal.	Kline	Pou	Stanley
Brently	Glass	Knowland	Pujo	Stephens
Brooks, Tex.	Goebel	Lamb	Rainey	Tex.
Brown	Goldfogle	Lee	Randell, Tex.	Sullivan,
Brundige	Goulden	Legare	Ransdell, La.	Mass.
Burgess	Granger	Lester	Reeder	Swanson
Burleson	Gregg	Lever	Reid	Talbott
Burnett	Griggs	Lewis	Rhinock	Taylor, Ala.
Butler, Tenn.	Gudger	Lindsay	Richardson,	Thomas, N. C.
Calderhead	Hay	Livingston	Ala.	Thomas, O.
Candler	Hayes	Lloyd	Richardson,	Towne
Clark, Mo.	Heflin	Loud	Ky.	Trimble
Clayton	Henry, Tex.	McCreary,	Rixey	Underwood
Cushman	Hermann	Pa.	Robertson,	Wachter
Davey, La.	Hopkins	McKinley,	La.	Wallace
Davidson	Houston	Cal.	Robinson,	Watkins
Davis, W. Va.	Howard	McLain	Ark.	Webb
De Armond	Howell, Utah	McNary	Rucker	Weisse
Dixon, Ind.	Humphrey	Macon	Ruppert	Wiley, Ala.
Ellerbe	Wash.	Marshall	Russell	Williams
Esch	Humphreys,	Maynard	Ryan	Wood, Mo.
Field	Miss.	Meyer	Shackelford	
Finley	Hunt	Minor	Sheppard	

ANSWERED PRESENT—8.

Andrus	Clark, Fla.	McMorran	Patterson,	Wadsworth
Brooks, Cal.	Crumpacker	Otjen	S. C.	

NOT VOTING—33.

Bell, Ga.	Fordney	Ketchman	Prince	Van Duzer
Bowle	Garber	Lamar	Slemp	Williamson
Brussard	Graham	Lilley, Pa.	Smith,	Young
Burton, Del.	Hardwick	Little	Samuel W.	Zenor.
Byrd	Hearst	McDermott	Southall	
Castor	Hill, Miss.	McLachlan	Sullivan,	
Cockman	Hitt	Patterson,	N. Y.	
Cromer	Kennedy, O.	Tenn.	Sulzer	

(Cong. Record, p. 1557.)

Of those not voting, Patterson, of S. C., Bell, of Ga., Zenor, Hardwick, Garber. Bowie, Southall, Little, Byrd, Clark, of Fla., Hill, of Miss., Sulzer and Van Duzer (Democrats) were paired against the bill; and Cromer, Burton, of Del., Crumpacker, Scott, Ketcham, Wadsworth, Prince, Slemp, Samuel W. Smith, Lilley, Hitt, Andrus and Graham (Republicans) were paired for it.

Note—On March 9, the Senate adopted the Foraker amendment (see vote on Statehood in Senate elsewhere in this book); and on March 22, the House by a vote of 175 to 156 disagreed to the Senate amendments (see Cong. Record, p. 4229). But later the Democrats by practically blocking legislation on other matters, *compelled* the Republican majority to accept them (see Record, p. 8781). There was no yea-and-nay vote on agreeing to the second conference report.

**ON THE RESOLUTION (H. RES. 159) RELATING TO THE
EIGHT-HOUR LAW, THE ALIEN CONTRACT LABOR
LAW AND THE CHINESE EXCLUSION ACT.**

On January 26, 1906, the House of Representatives in conformity with a report from the Committee on Rules, passed the following resolution:

“Resolved, That it shall be in order to offer as an amendment to the urgent deficiency bill (H. R. 12320), either in the House or in the Committee of the Whole House on the state of the Union, even although the paragraph to which it is germane may have been passed, the following amendment:

“The provisions of the act entitled “An act relating to the limitations of the hours of daily service of laborers and mechanics employed upon the public works of the United States and of the District of Columbia,” approved August 1, 1892, shall not apply to alien laborers employed in the construction of the isthmian canal within the Canal Zone.” (Cong. Record, p. 1587.)

Upon this resolution, the previous question was ordered, and it was passed by a party vote, the Republicans voting for it and the Democrats against it. The vote on the adoption of the resolution was as follows:

YEAS—145.

Acheson	Cousins	Gillett, Mass.	Loud	Sibley
Adams, Pa.	Currier	Graff	Loudenslager	Slemp
Alexander	Cushman	Grosvenor	McCarthy	Smith, Cal.
Ames	Dalzell	Hale	McCreary	Smith, Iowa.
Bannon	Darragh	Hamilton		Minn. Smyser
Bates	Davidson	Haskins	McKinley, Ill.	Southard
Beldler	Dawes	Haugen	McMorran	Southwick
Bennett, N. Y.	Dawson	Hayes	Mahon	Sperry
Bennett, Ky.	Deemer	Henry, Conn.	Mann	Sterling
Birdsall	Denby	Hepburn	Minor	Stevens,
Bishop	Draper	Higgins	Mouser	Minn.
Blackburn	Dresser	Hill, Conn.	Mudd	Suloway
Bonynge	Driscoll	Hoar	Needham	Tawney
Boutell	Dwight	Hubbard	Nevin	Taylor, Ohio.
Bowersock	Edwards	Huff	Norris	Thomas, O.
Brick	Ellis	Humphrey	Olcott	Tirrell
Brown	Esch		Wash. Otjen	Tyndall
Brownlow	Fassett	Jones, Wash.	Overstreet	Underwood
Burke, Pa.	Flack	Kelfer	Palmer	Volstead
Burke, S. D.	Fletcher	Kinkaid	Parker	Vreeland
Burleigh	Foss	Knapp	Payne	Waldo
Burton, O.	Foster, Ind.	Knowland	Perkins	Wagner
Calderhead	Foster, Vt.	Lacey	Pollard	Weeks
Campbell, O.	Fowler	Landis	Powers	Weems
Capron	French		Chas. B. Reeder	Welborn
Cassel	Fuller	Landis,	Rhodes	Wilson
Chaney	Galnes,		Frederick. Rives	Woodyard
Chapman		W. Va. LeFevre	Roberts	Young
Cocks	Gardner,	Littauer	Samuel	
Cole		Mich. Littlefield	Scroggy	
Conner	Gardner,	Mas Longworth	Shartel	

NAYS—102.

Adamson	Fitzgerald	Kitchin,	Randell, Tex.	Smith, Md.
Aiken	Flood	Wm. W.	Ransdell, La.	Sparkman
Bankhead	Floyd	Kline	Rhinock,	Splight
Bartlett	Garner	Lamar	Richardson,	Stephens,
Beall, Tex.	Garrett	Lee	Ala.	Tex.
Bowers	Gillespie	Lever	Richardson,	Sullivan,
Broocks, Tex.	Greene	Lewis	Ky.	Mass.
Brundige	Gregg	Livingston	Rixey	Taylor, Ala.
Burgess	Griggs	Lloyd	Robertson,	Thomas, N. C.
Burnett	Hay	McCall	La.	Towne
Candler	Heflin	McGavin	Robinson,	Townsend
Clark, Fla.	Henry, Tex.	McLain	Ark.	Trimble
Clark, Mo.	Hogg	McNary	Rodenberg	Wallace
Clayton	Hopkins	Macon	Rucker	Watkins
Cooper, Wis.	Houston	Maynard	Russell	Webb
Davey, La.	Humphreys,	Meyer	Ryan	Weisse
Davis, W. Va.	Miss.	Moon, Tenn.	Shackelford	Wharton
DeArmond,	Hunt	Moore	Sheppard	Wiley, Ala.
Dickson, Ill.	James	Murdock	Sherley	Williams
Dixon, Ind.	Jones, Va.	Padgett	Sims	
Ellerbe	Kellher	Page	Smith, Ky.	
Fieid	Kitchin,	Pou	Smith, Pa.	
Finley	Claude	Rainey	Smith, Tex.	

ANSWERED PRESENT—8.

Andrus	Crumpacker	Olmstead	Reid
Burton, Del.	Goulden	Patterson,	Scott
		S. C.	

NOT VOTING—130.

Adams, Wis.	Dovener	Howell,	McKinley,	Smith,
Allen, Me.	Dunwell	Utah	Cal.	Samuel W.
Allen, N. J.	Fordney	Hughes	McKinney	Smith,
Babcock	Fulkerson,	Hull	McLachlan	Wm. Alden
Barchfeld	Gaines,	Jenkins	Madden	Snapp
Bartholdt	Tenn.	Johnson	Marshall	Southall
Bede	Garner	Kahn	Martin	Stafford
Bell, Ga.	Gardner,	Kennedy,	Michalek	Stanley
Bingham	N. J.	Neb.	Miller	Steenerson
Bowie	Gilbert, Ind.	Kennedy,	Mondell	Sullivan,
Bradley	Gilbert, Ky.	Ohio	Moon, Pa.	N. Y.
Brantley	Gill	Ketcham	Morrell	Sulzer
Brooks, Col.	Gillett, Cal.	Klepper	Murphy	Swanson
Broussard	Glass	Knopf	Parsons	Talbott
Buckman	Goebel	Lafean	Patterson,	Van Duzer
Burleson	Goldfogle	Lamb	N. C.	Van Winkle
Butler, Pa.	Graham	Law	Patterson,	Wachter
Butler, Tenn.	Granger	Lawrence	Pa.	Wadsworth
Byrd	Gronna	Legare	Patterson,	Watson
Calder	Gudger	Lester	Tenn.	Webber
Campbell,	Hardwick	Lilley, Conn.	Pearre	Wiley, N. J.
Kan.	Hearst	Lilley, Pa.	Prince	Williamson
Castor	Hedge	Lindsay	Pujo	Wood, Mo.
Cockran	Hermann	Little	Reynolds	Wood, N. J.
Cooper, Pa.	Hill, Miss.	Lorimer	Ruppert	Zenor
Cromer	Hinshaw	Lovering	Schneebell	
Curtis	Hitt	McCreary,	Sherman	
Dale	Hollday	Pa.	Slayden	
Davis, Minn.	Howard	McDermott	Small	
Dixon, Mont.	Howell, N. J.		Smith, Ill.	

(Cong. Record, p. 1592.)

PAIRS FOR THE RESOLUTION.

Sherman	Hitt	Bartholdt	Cassel	Bradley
Morrell	Ketcham	Kennedy, O.	Dunwell	Calder
Patterson,	Wadsworth	Jenkins	Andrews	Watson
Pa.	Lilley, Conn.	Bede	McCreary,	
Butler, Pa.	Wachter	Bingham	Pa.	
Cromer	Lovering	Barchfield	Pearre	
Burton, Del.	Kahn	Buckman	Prince	
Crumpacker	Dovener	Van Winkle	Smith	
Scott	Gaillett, Cal.	Smith,	Samuel W.	
Curtis	Overstreet	Wm. Alden	Lilley, Pa.	
Graham	Olmsted	Howell	Babcock	

AGAINST THE RESOLUTION.

Ruppert	Little	Lamar	Gilbert, Ky.	Aiken
Sullivan,	Van Duzer	Gaines, Tenn.	Kitchin,	Goulden
N. Y.	Hill, Miss.	Rainey	Claude	Brantley
Patterson,	Garber	Randell	Goldfogle	Small
N. C.	Bowie	Tex.	McDermott	Swanson
Broussard	Reld	Gill	Sulzer	Granger
Patterson,	Gudger	Taylor, Ala.	Talbott	Johnson
S. C.	Stanley	Finley	Southall	Lindsay
Bell, Ga.	Maynard	Glass	Byrd	Legare
Zenor	Wood	Pujo	Cockran	
Hardwick				

Mr. Underwood, having voted nay, changed his vote to yea in order to move to reconsider the vote. (Cong. Record, pp. 1588 and 1592.)

On the following day, January 27th, the amendment abrogating the eight-hour law on the Isthmus of Panama was passed by the following vote:

YEAS—120.

Acheson	Dawes	Hoar	Parker
Adams, Pa.	De Armond	Howell, Utah	Payne
Alexander	Deemer	Hubbard	Perkins
Allen, Me.	Dovener	Jenkins	Reeder
Ames	Draper	Jones, Wash.	Reynolds
Barchfeld	Dwight	Kelfer	Rives
Bates	Ellis	Kinkaid	Roberts
Bennet, N. Y.	Esch	Klepper	Scroggy
Birdsall	Flack	Knapp	Shartel
Bishop	Fletcher	Knowland	Sibley
Bonynge	Foss	Lacey	Smith, Cal.
Boutell	Foster, Ind.	Landis, Chas. B.	Smith, Ill.
Brown	Foster, Vt.	Landis, Frederick	Smith, Iowa
Brownlow	Fowler	Lawrence	Smyser
Buckman	French	Loud	Southard
Burke, Pa.	Fulkerson	Loudenslager	Southwick
Burleigh	Fuller	Lovering	Sperry
Burton, Ohio	Gaines, W. Va.	McKinley, Ill.	Sterling
Calderhead	Gardner, Mass.	McKinney	Stevens, Minn.
Campbell, Ohio	Gillett, Mass.	McMorran	Sulloway
Chaney	Graff	Mahon	Tawney
Chapman	Gronna	Mann	Tirrell
Cole	Grosvenor	Marshall	Volstead
Conner	Hale	Miller	Waldo
Cousins	Hamilton	Mondell	Wanger
Currier	Haskins	Mouser	Watson
Dalzell	Haugen	Mudd	Weeks
Darragh	Hepburn	Needham	Welborn
Davidson	Hermann	Norris	Wilson
Davis, Minn.	Higgins	Palmer	The Speaker

NAYS—110.

Adamson	Floyd	Lever	Russell
Aiken	Garner	Lewis	Ryan
Allen, N. J.	Garrëtt	Lloyd	Shackleford
Bartlett	Gilbert, Ky.	McCall	Sheppard
Beall, Tex.	Gill	McGavin	Sherley
Bennett, Ky.	Gillespie	McLachlan	Sims
Bowers	Göebel	McLain	Slayden
Broocks, Tex.	Greene	McNary	Smith, Ky.
Brooks, Col.	Gregg	Macon	Smith, Pa.
Brundige	Gudger	Maynard	Smith, Tex.
Burnett	Hay	Meyer	Spight
Butler, Tenn.	Hefin	Michalek	Stafford
Campbell, Kans.	Henry, Tex.	Moon, Tenn.	Stanley
Candler	Hogg	Moore	Stephens, Tex.
Capron	Hopkins	Padgett	Sullivan, Mass.
Clark, Fla.	Houston	Page	Swanson
Clark, Mo.	Humphreys, Miss.	Pou	Talbott
Clayton	Hunt	Pujo	Taylor, Ala.
Cooper, Wis.	James	Rainey	Thomas, N. C.
Dale	Johnson	Randell, Tex.	Towne
Davis, W. Va.	Kelher	Rhinock	Townsend
Dickson, Ill.	Kitchin, Claude	Richardson, Ala.	Underwood
Dixon, Ind.	Kitchin, Wm. W.	Richardson, Ky.	Wallace
Edwards	Kline	Rixey	Watkins
Ellerbe	Lamar	Robertson, La.	Webb
Field	Lee	Robinson, Ark.	Williams
Finley	Legare	Rodenberg	
Fitzgerald	Lester	Rucker	

ANSWERED PRESENT—11.

Bradley	Crumpacker	Patterson, N. C.	Sherman
Brick	Flood	Patterson, S. C.	Weisse
Burton, Del.	Griggs	Reid	

NOT VOTING—145.

Adams, Wis.	Dawson	Howell, N. J.	Martin
Andrus	Denby	Huff	Minor
Babcock	Dixon, Mont.	Hughes	Moon, Pa.
Bankhead	Dresser	Hull	Morrell
Bannon	Driscoll	Humphrey, Wash.	Murdock
Bartholdt	Dunwell	Jones, Va.	Murphy
Bede	Fassett	Kahn	Nevin
Beidler	Fordney	Kennedy, Neb.	Olcott
Bell, Ga.	Gaines, Tenn.	Kennedy, Ohio	Olmsted
Bingham	Garber	Ketcham	Otjen
Blackburn	Gardner, Mich.	Knopf	Overstreet
Bowersock	Gardner, N. J.	Lafean	Parsons
Bowie	Gilbert, Ind.	Lamb	Patterson, Pa.
Brantley	Gillett, Cal.	Law	Patterson, Tenn.
Broussard	Glass	Le Fevre	Pearre
Burgess	Goldfogle	Lilley, Conn.	Pollard
Burke, S. Dak.	Goulden	Lilley, Pa.	Powers
Burleson	Graham	Lindsay	Prince
Butler, Pa.	Granger	Littauer	Ransdell, Ia.
Byrd	Hardwick	Little	Rhodes
Calder	Hayes	Littlefield	Ruppert
Cassel	Hearst	Livingston	Samuel
Castor	Hedge	Longworth	Schneebeli
Cockran	Henry, Conn.	Lorimer	Scott
Cocks	Hill, Conn.	McCarthy	Slemp
Cooper, Pa.	Hill, Miss.	McCleary, Minn.	Small
Cromer	Hinshaw	McCreary, Pa.	Smith, Md.
Curtis	Hitt	McDermott	Smith, Samuel W.
Cushman	Holliday	McKinlay, Cal.	Smith, Wm. Alden
Davey, La.	Howard	Madden	Snapp

Southall	Trimble	Webber	Wood, N. J.
Sparkman	Tyndall	Weems	Woodyard
Steenerson	Van Duzer	Wharton	Young
Sullivan, N. Y.	Van Winkle	Wiley, Ala.	Zenor
Sulzer	Vreeland	Wiley, N. J.	
Taylor, Ohio	Wachter	Williamson	
Thomas, Ohio	Wadsworth	Wood, Mo.	

The following were paired in favor of the amendment.

Andrus	Howell, N. J.	Vreeland	Burton, Del.
Babcock	Kahn	Wachter	Cromer
Bannon	Law	Wiley, N. J.	Butler, Penn.
Bingham	Lilley, Penn.	Wood, N. J.	Graham
Bowersock	Littauer	Lilley, Conn.	Hitt
Brick	McCreary, Penn.	Longworth	Bradley
Calder	Olmsted	Ketcham	Knopf
Dunwell	Overstreet	Wadsworth	Morrell
Fassett	Pearre	Scott	Patterson, Penn.
Dawson	Smith, Samuel W.	Curtis	Sherman
Gillett, Cal.	Smith, Wm. Alden	Crumpacker	

The following were paired against it.

Sulzer	McDermott	Wiley, Ala.	Bell, Ga.
Bankhead	Brantley	Trimble	Patterson, S. C.
Small	Lindsay	Livingston	Broussard
Cockran	Hearst	Davey, La.	Van Duzer
Glass	Griggs	Reid	Hill, Miss.
Burleson	Southall	Granger	Goulden
Jones, Va.	Flood	Garber	Weisse
Burgess	Sparkman	Bowie	Sullivan, N. Y.
Gaines, Tenn.	Howard	Hardwick	Patterson, N. C.
Lamb	Byrd	Little	Ruppert
Goldfogle	Smith, Md.	Zenor	

ON THE JOINT RESOLUTION (S. R. 60) "PROVIDING FOR THE PURCHASE OF MATERIAL AND EQUIPMENT FOR USE IN THE CONSTRUCTION OF THE PANAMA CANAL."

On June 16, 1906, the House of Representatives passed the Aldrich resolution, which had previously passed the Senate by a party vote. The resolution was as follows:

"Resolved, etc., That purchases of material and equipment for use in the construction of the Panama Canal shall be restricted to articles of domestic production and manufacture, from the lowest responsible bidder, unless the President shall, in any case, deem the bids or tenders therefor to be extortionate or unreasonable." (Cong. Record, p. 8918.)

The vote in detail was as follows:

YEAS—129.

Adams	Bishop	Cocks	Davidson	Foster, Ind.
Allen, Mc.	Bonynge	Cole	Dawes	Foster, Vt.
Allen, N. J.	Boutell	Cooper, Pa.	Denby	French
Andrus	Brownlow	Cooper, Wis.	Dixon, Mont.	Gaines,
Bannon	Burke,	Cousins	Draper	W. Va.
Barchfeld	S. Dak.	Cromer	Driscoll	Gardner,
Bartholdt	Butler, Pa.	Currier	Dunwell	Mass.
Bates	Calderhead	Curtis	Dwight	Gardner,
Bede	Capron	Cushman	Ellis	Mich.
Bennett, N. Y.	Chaney	Dale	Fletcher	Gardner,
Bennett, Ky.	Chapman	Dalzell	Foss	N. J.

Goebel	Jones, Wash.	McKinley,	Overstreet	Sulloway
Graff	Kahn		Cal. Payne	Taylor, O.
Grosvenor	Keifer	McKinley, Ill.	Reeder	Thomas, O.
Hale	Kennedy,	McKinney	Rhodes	Tirrell
Hamilton		Neb. McLachlan	Rives	Townsend
Hayes	Kinkaid	McMorran	Rodenberg	Waldo
Henry, Conn.	Klepper	Madden	Scroggy	Wanger
Hepburn	Knowland	Mahon	Sibley	Watson
Hermann	Lacey	Marshall	Smith, Cal.	Weems
Higgins	Landis,	Martin	Smith, Iowa	Wharton
Hill, Conn.	Frederick	Michalek	Smith,	Wiley, N. J.
Hoar	Lawrence	Miller	Samuel W.	Wilson
Hogg	Loud	Mondell	Smyser	Wood, N. J.
Howell, N. J.	Loudenslager	Mouser	Snapp	Woodward
Huff	McCleary,	Needham	Southard	
Humphrey		Minn. Nevin	Southwick	
	Wash. McCreary,	Olmstead	Sperry	
Jenkins		Pa. Otjen	Sterling	

NAYS—82.

Adamson	Davis, Minn.	Kitchin,	Rainey	Wallace
Aiken	Davis, W. Va.	Wm. W.	Ransdell, La.	Watkins
Bankhead	De Armond	Lee	Richardson,	Webb
Bartlett	Dixon, Ind.	Lloyd		Ky. Williams
Beall, Tex.	Ellerbe	McCarthy	Russell	Zenor
Bell, Ga.	Finley	McLain	Sheppard	
Birdsall	Floyd	McNary	Sherley	
Bowie	Fulkerson	Macon	Sims	
Brantley	Garner	Mann	Slayden	
Broocks, Tex.	Granger	Meyer	Smith, Ky.	
Brundige	Hardwick	Moon, Tenn.	Smith, Tex.	
Burgess	Heflin	Moore	Spight	
Burleson	Henry, Tex.	Murdock	Stafford	
Burton, O.	Houston	Murphy	Steenerson	
Butler, Tenn.	Howard	Norris	Stevens,	
Candler	Hubbard	Padgett		Minn.
Clark, Fla.	Humphreys,	Patterson,	Sullivan,	
Clark, Mo.	Miss.	S. C.	Mass.	
Clayton	Hunt	Perkins	Thomas,	
Crumpacker	Johnson	Pou		N. C.
Darragh	Jones, Va.	Pujo	Volstead	

ANSWERED PRESENT—9.

Burton, Del.	Holliday	Patterson,	Pollard	Weeks
Gregg	Lever		N. C. Sparkman	
Hinshaw				

NOT VOTING—160.

Acheson	Campbell, O.	Garett	Hopkins	Lewis
Alexander	Cassel	Gilbert	Howell, Utah	Lilley, Conn.
Ames	Cockran	Gill	Hughes	Lilley, Pa.
Babcock	Conner	Gillespie	Hull	Lindsay
Beldler	Davey, La.	Gillette, Cal.	James	Littauer
Bingham	Dawson	Gillette,	Keliher	Little
Blackburn	Deember		Mass. Kennedy, O.	Littlefield
Bowers	Dickson, Ill.	Glass	Ketcham	Livingston
Bowersock	Dovener	Goldfogle	Kitchin,	Longworth
Bradley	Dresser	Goulden		Claude Lorimer
Brick	Edwards	Graham	Kline	Lovering
Brooks, Col.	Esch	Greene	Knapp	McCall
Broussard	Fassett	Griggs	Knopf	McDermott
Brown	Field	Gronna	Lafean	McGavin
Buckman	Fitzgerald	Gudger	Lamar	Maynard
Burke, Pa.	Fleck	Haskins	Lamb	Minor
Burleigh	Flood	Haugen	Landis,	Moon, Pa.
Burnett	Fordney	Hay		Chas. B. Morrell
Byrd	Fowler	Hearst	Law	Mudd
Calder	Fuller	Hedge	Lefevre	Olcott
Campbell,	Gaines, Tenn.	Hill, Miss.	Legare	Page
	Kan. Garer	Hitt	Lester	Palmer

Parker	Rixey	Shartel	Sullivan, N. Y.	Wadsworth
Parsons	Roberts	Sherman	Sulzer	Webber
Patterson.	Robertson,	Slemp	Talbot	Weisse
Tenn.	La.	Small	Tawney	Welborn
Pearre	Robinson,	Smith, Ill.	Taylor, Ala.	Wiley, Ala.
Powers	Ark.	Smith, Md.	Towne	Wood, Mo.
Prince	Rucker	Smith,	Tyndall	Young
Randell, Tex.	Ruppert	Wm. Alden	Underwood	
Reid	Ryan	Smith, Pa.	Van Duzer	
Reynolds	Samuel	Southall	Van Winkle	
Rhinock	Schneebelle	Stanley	Trimble	
Richardson,	Scott	Stephens,	Vreeland	
Ala.	Shackelford	Tex.	Wachter	

Of those not voting 152 members were paired—the Republicans for the resolution and the Democrats against it, as follows:

PAIRED FOR IT.

Currier	Hollday	McCreary,	Burleigh	Dalzell
Sherman	Morrell	Pa.	Brown	Lawrence
Mouser	Lilley, Pa.	McCall, Mich.	Brick	Reynolds
Bradley	Hitt	Loud	Blackburn	Smith, Ill.
Longworth	Dovener	Littauer	Bingham	Gardner,
Graham	Burke	Lilley, Conn.	Beidler	Bartholdt
Vreeland	Minor	Landis,	Gillett, Mass.	Brooks, Col.
Knapp	Shartel	Charles B.	Fassett	Babcock
Slemp	Roberts	Ketcham	Schneebell	Burton, Ohio
Powers	Wadsworth	Hull	Gronna	Van Winkle
Daemer	Smith,	Hughes	Bowersock	Alexander
Haskins	Wm. Alden	Haugen	Acheson	Tawney
Greene	Pearre	Gardner	Mudd	Campbell,
Welborn	Palmer	Fuller	Wachter	Kan.
Weeks	Olcott	Cassel	Burton, Del.	Esch
Edwards	Moon, Pa.	Calderhead	Dickson, Ill.	Ames
Lefevre	Mondell	Calder	Law	

PAIRED AGAINST IT.

Finley	Kitchin,	Randell,	Field	Wood, Mo.
Ruppert	Claude	Tex.	Byrd	Williams
Garrett	Wiley, Ala.	Patterson,	Brussard	Griggs
Goulden	Sullivan,	Tenn.	Bowers	Hunt
Stephens,	N. Y.	Robertson,	Small	Lamar
Tex.	Gilbert, Ky.	La.	Lindsay	Russell
Page	Legare	McLain	Bell, Ga.	Griggs
Gregg	Sparkman	Towne	Kellher	McLain
Little	Gillespie	McDermott	Smith, Md.	Pujo
Glass	Sulzer	Livingston	Patterson	Humphreys
Gaines, Tenn.	Van Duzer	Lewis	Garber	Richardson,
Kline	Weisse	Hearst	Goldfogle	Ala.
Lever	Lamb	Lester	Robinson,	Garrett
Patterson,	Underwood	Lamar	Ark.	Ryan
N. C.	Southall	Hay	James	Davey, La.
Gudger	Shackelford	Flood	Rhinock	Trimble
Stanley	Rixey	Fitzgerald	Gill	Rucker
Hill, Miss.	Reid	Cockran	Burnett	

(Cong. Record, pp. 8910, 8914, 8918.)

PRESIDENT'S TRAVELING EXPENSES.

ON THE BILL (H. R. 20,321), "TO PROVIDE FOR THE TRAVELING EXPENSES OF THE PRESIDENT OF THE UNITED STATES."

On June 20, 1906, the House of Representatives passed the following bill:

"Be it enacted, etc., That hereafter there may be expended for or on account of the traveling expenses of the President of the United States such sum as Congress may from time to time appropriate, not exceeding \$25,000 per annum, such sum when appropriated to be expended in the discretion of the President and accounted for on his certificate solely.

"There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purposes authorized by this act for the fiscal year 1907, the sum of \$25,000." (Cong. Record, 9055.)

The vote in detail was as follows:

YEAS—176.

Adams	Currier	Hale	Littauer	Ryan
Alexander	Curtis	Hamilton	McCarthy	Samuel
Allen, Me.	Cushman	Hayes	McGavin	Schneebelle
Allen, N. J.	Dalzell	Hedge	McKinley,	Scott
Andrus	Davey, La.	Henry, Conn.	Cal.	Scroggy
Barchfeld	Davis, Minn.	Hepburn	McKinney	Shartel
Bartholdt	Dawes	Hermann	McLachlan	Sherley
Bede	Dawson	Higgins	McMorran	Smith, Ill.
Bennett, Ky.	Denby	Hinshaw	McNary	Smith, Iowa
Birdsall	Dickson, Ill.	Hoar	Madden	Smith,
Bonynge	Dixon, Mont.	Hogg	Marshall	Samuel W.
Boutell	Draper	Holiday	Martin	Smith, Pa.
Brick	Dunwell	Howell, Utah	Meyer	Sperry
Brooks, Col.	Ellis	Hubbard	Michalek	Stafford
Broussard	Esch	Huff	Miller	Steenerson
Brownlow	Fassett	Hull	Mondell	Sterling
Buckman	Fitzgerald	Humphrey,	Moore, Pa.	Sullivan,
Burton, Del.	Fordney	Wash.	Mouser	Mass.
Burton, Ohio	Foss	Hunt	Mudd	Sulloway
Butler, Pa.	Foster, Ind.	Jenkins	Murdock	Tawney
Calder	French	Jones	Murphy	Taylor, Ohio
Campbell,	Fulkerson	Kahn	Needham	Thomas, Ohio
Kan.	Fuller	Keifer	Nevin	Tirrell
Campbell, O.	Gaines,	Keliher	Norris	Tyndall
Capron	W. Va.	Kennedy,	Olmstead	Volstead
Cassel	Gardner,	Neb.	Otjen	Wachter
Chaney	Mass.	Kinkaid	Overstreet	Waldo
Chapman	Gardner,	Klepper	Payne	Wanger
Clark, Fla.	Mich.	Kline	Pollard	Watson
Cockran	Gardner,	Knapp	Prince	Webber
Cocks	N. J.	Knowland	Pujo	Weems
Cole	Gillett, Mass.	Lacey	Ransdell, La.	Wiley, N. J.
Conner	Glass	Lafean	Reeder	Wood, N. J.
Cooper, Pa.	Goebel	Landis,	Reynolds	Woodyard
Cooper, Wis.	Goulden	Frederick	Rives	Young
Cousins	Graff	Law	Roberts	
Cromer	Granger	Lilley, Conn.	Rodenberg	
Crumpacker	Grosvenor	Lindsay	Ruppert	

NAYS—66.

Adamson	Flood	James	Patterson,	Southall
Aiken	Floyd	Johnson	S. C. Splight	
Bankhead	Garner	Jones, Va.	Rainey	Thomas,
Beall, Tex.	Garrett	Kitchin,	Rhinoek	N. C.
Brundige	Gill	Wm. W. Richardson,	Towne	
Burgess	Gillespie	Lemar	Ala. Townsend	
Burleson	Hay	Lee	Richardson,	Trimble
Burnett	Heflin	Livingston	Ky. Underwood	
Butler, Tenn.	Henry, Tex.	Lloyd	Rixey	Wallace
Candler	Hill, Miss.	McLain	Rucker	Watkins
Clark, Mo.	Hopkins	Macon	Russell	Williams
De Armond	Houston	Maynard	Sheppard	Zenor
Dixon, Ind.	Howard	Moon, Tenn.	Sims	
Ellerbe	Humphreys,	Moore	Slayden	
Finley	Miss. Padgett	Smith, Tex.		

NOT VOTING—125.

Gaines, Tenn.	Gregg	Lever	Mann	Pou
Gilbert, Ky.	Kitchin,	McCleary,	Patterson,	Southward
Graham	Claude	Minn.	N. C. Weeks	

ANSWERED PRESENT—12.

Acheson	Davidson	Hughes	Page	Southwick
Ames	Davis, W. Va.	Kennedy, O.	Palmer	Sparkman
Babcock	Deemer	Ketcham	Parker	Stanley
Bannon	Dovener	Knopf	Parsons	Stephens,
Bartlett	Dreeser	Lamb	Patterson,	Tex.
Bates	Driscoll	Landis,	Tenn. Stevens,	
Beidler	Dwight	Chas. B. Pearre	Minn.	
Bell, Ga.	Edwards	Lawrence	Perkins	Sullivan,
Bennet, N. Y.	Field	Lefevre	Powers	N. Y.
Bingham	Flack	Legare	Randell, Tex.	Sulzer
Bishop	Fletcher	Lewis	Reid	Talbott
Blackburn	Foster, Vt.	Lilley, Pa.	Rhodes	Taylor, Ala.
Bowers	Fowler	Little	Robertson,	Van Duzer
Bowersock	Garner	Littlefield	La. Van Winkle	
Bowie	Gilbert, Ind.	Longworth	Robinson,	Vreeland
Bradley	Gillett, Cal.	Lorimer	Ark. Wadsworth	
Brantley	Goldfogle	Loud	Shackelford	Webb
Brooks, Tex.	Greene	Loudenslager	Sherman	Weisse
Brown	Griggs	Lovering	Sibley	Welborn
Burke, Pa.	Gronna	McCall	Slomp	Wharton
Burke,	Gudger	McCreary,	Small	Wiley, Ala.
S. Dak.	Hardwick	Pa. Smith, Cal.	Wilson	
Burleigh	Haskins	McDermott	Smith, Ky.	Wood, Mo.
Byrd	Haugen	McKinley, Ill.	Smith, Md.	
Calderhead	Hearst	Mahon	Smith,	
Clayton	Hill, Conn.	Minor	Wm. Alden	
Dale	Hitt	Morrell	Smyser	
Darragh	Howell, N. J.	Olcott	Snapp	

(Cong. Record, p. 9059.)

Of those not voting 96 were paired—28 Republicans for the bill and 48 Democrats against it, as follows:

PAIRED FOR THE BILL.

Southward	Lefevre	McCleary,	Burleigh	Smith,
Dale	Hitt	Minn. Howell, N. J.	Wm. Alden	
Morrell	Dovener	McCall	Hughes	Lovering
Mahon	Foster	Olcott	Landis,	Sherman
McKinley, Ill.	Lawrence	Acheson	Charles B. Deemer	
Powers	Edwards	Bingham	Loudenslager	Bradley
Haskins	Minor	Burke, Pa.	McCreary,	Bannon
Welbirt	Babcock	Brown	Pa. Rhodes	
Weeks	Kennedy, O.	Ketcham	Wilson	Mann

PAIRED AGAINST THE BILL.

Hardwick	Kitchin,	Gregg	Barger	Smith, Ky.
Bowie	Claude	Stephens,	Bell, Ga.	Shackleford
Sullivan.	Legare	Tex. Byrd	Wood, Mo.	
N, Y.	Sparkman	Webb	Goldfogle	Robinson,
Weisse	Pou	Broocks, Tex.	Field	Ark.
Reid	Griggs	Sulzer	Hearst	Small
Gaines,	Clayton	Bowers	McDermott	Talbott
Tenn.	Patterson,	Lamb	Patterson,	Little .
Lever	N. C.	Brantley	Tenn.	Lewis
Gudger	Gilbert, Ky.	Robertson,	Randell, Tex.	Wiley, Ala.
Stanley	Page	La. Taylor, Ala.	Smith, Md.	Bartlett

(Cong. Record, p. 9059.)

RATIFICATION OF EXECUTIVE USURPATIONS—PHILIPPINE BLACKMAIL COLLECTIONS.

On June 27, 1906, the House of Representatives passed the following resolution:

"Resolved, That during the consideration of the general deficiency appropriation bill, now pending in Committee of the Whole House on the state of the Union, it shall be in order to consider points of order notwithstanding the paragraph relating to the ratification of the Philippines' tariff, page 4, lines 17 to 26, and page 5, lines 1 and 2, as follows, viz.:

"That the tariff duties, both import and export, imposed by the authorities of the United States or of the provisional military government thereof in the Philippine Islands prior to March 8, 1902, at all ports and places in said islands upon all goods, wares and merchandise imported into said islands from the United States, or from foreign countries, or exported from said islands, are hereby legalized and ratified, and the collection of all such duties prior to March 8, 1902, is hereby legalized and ratified and confirmed as fully to all intents and purposes as if the same had by prior act of Congress been specifically authorized and directed.'" (See Cong. Record, p. 9652.)

The vote in detail on this resolution was as follows:

YEAS—154.

Acheson	Cocks	Fussett	Higgins	Le Fevre
Adams	Cole	Fletcher	Hinshaw	Lilley, Conn.
Alexander	Conner	Foster, Ind.	Hoar	Littauer
Allen, N. J.	Cooper, Wis.	Foster, Vt.	Holliday	Loud
Bannon	Coudrey	Fowler	Howell, N. J.	Loudenslager
Barchfeld	Cousins	French	Howell, Utah	McCarthy
Bates	Cromer	Fulkerson	Hubbard	McCreary,
Bennet, N. Y.	Crumpacker	Fuller	Huff	Pa.
Bennett, Ky.	Currier	Gaines,	Humphrey,	McGavin
Bishop	Curtis	W. Va.	Wash. McKinley,	
Bonynge	Dalzell	Gardner,	Jenkins	Cal.
Boutell	Darragh	Mass. Jones,	Wash. McKinley, Ill.	
Brick	Davidson	Gardner,	Kahn	McKinney
Brooks, Col.	Davis, Minn.	Mich. Keifer	McLachlan	
Burke, Pa.	Dawson	Gilbert, Ind.	Kennedy,	McMorran
Burton, Del.	Denby	Goebel	Neb. Madden	
Burton, Ohio	Dickson, Ill.	Graff	Kennedy, O.	Mahon
Calderhead	Dixon, Mont.	Grosvenor	Kinkaid	Mann
Campbell,	Dresser	Hale	Klepper	Marshall
Kan.	Driscoll	Hamilton	Lacey	Michalek
Campbell, O.	Dunwell	Haskins	Lafean	Miller
Capron	Dwight	Hayes	Landis,	Moon, Pa.
Cassel	Ellis	Henry, Conn.	Chas. B. Morrel	
Chapman	Esch	Hermann	Lawrence	Mouser

Needham	Rives	Smith, Iowa	Sterling	Watson
Nevin	Roberts	Smith,	Suloway	Webber
Olcott	Rodenberg	Wm. Alden	Tawney	Weeks
Olmsted	Samuel	Smyser	Thomas, O.	Weems
Otjen	Schneebeli	Snapp	Tirrell	Wiley, N. J.
Parker	Scott	Southwick	Townsend	Wilson
Payne	Sherman,	Sperry	Volstead	Wood
Perkins	Smith, Cal.	Stafford	Waldo	Young
Reynolds	Smith, Ill.	Steenerson	Wanger	

NAYS—82.

Adamson	Ellerbe	Humphreys,	McNary	Sheppard
Bankhead	Finley	Miss. Macon		Sherley
Bartlett	Fitzgerald	Hunt	Maynard	Sims
Beall, Tex.	Flood	Johnson	Moon, Tenn.	Smith, Md.
Bell, Ga.	Floyd	Jones, Va.	Moore	Sullivan,
Broussard	Garber	Kelliher	Murphy	Mass.
Brundige	Garrett	Kitchin	Padgett	Sulzer
Burgess	Gill	Claude	Patterson,	Talbott
Burleson	Gillespie	Kitchin,	S. C. Trimble	
Burnett	Granger	Wm. W. Pou		Underwood
Candler	Gregg	Lemar	Pujo	Wallace
Clark, Fla.	Griggs	Lamb	Ransdell, La.	Watkins
Clark, Mo.	Hay	Lee	Rhinoek	Webb
Cockran	Heflin	Lever	Rixey	Williams
Davey, La.	Henry, Tex.	Lindsay	Rucker	
Davis, W. Va.	Hill, Miss.	Livingston	Ruppert	
De Armond	Hopkins	Lloyd	Russell	
Dixon, Ind.	Houston	McCall	Ryan	

ANSWERED PRESENT—15.

Bradley	Gainnes,	Greene	Meyer	Spight
Burleigh	Tenn.	Gudger	Parsons	
Butler, Pa.	Glass	Hardwick	Richardson,	
Dale	Graham	James	Ky.	

NOT VOTING—128.

Alken	Dawes	Kline	Patterson,	Smith, Tex.
Allen, Me.	Deemer	Knapp	N. C. Southall	
Ames	Dovener	Knopf	Patterson,	Southard
Andrus	Draper	Knowland	Tenn. Sparkman	
Babcock	Edwards	Landis	Pearre	Stanley
Bartholdt	Field	Frederick	Pollard	Stephen, Tex.
Bede	Flack	Law	Powers	Stevens,
Beldler	Fordney	Legare	Prince	Minn.
Bingham	Foss	Lewis	Rainey	Sullivan,
Birdsall	Gardner,	Lilley, Pa.	Randell, Tex.	N. Y.
Blackburn	N. J. Little	Reeder	Taylor, Ala.	
Bowers	Garner	Littlefield	Reid	Taylor, Ohio
Bowersock	Gilbert, Ky.	Longworth	Rhodes	Thomas,
Bowle	Gillett,	Lorimer	Richardson,	N. C.
Brantley	Mass. Lovering		Ala. Towne	
Broocks	Goldfogle	McCleary,	Robertson,	Tyndall
	Tex. Goulden	Minn.	La. Van Duzer	
Brown	Gronna	McDermott	Robinson,	Van Winkle
Brownlow	Haugen	McLain	Ark. Vreeland	
Buckman	Hearst	Martin	Scroggy	Wachter
Burke,	Hedge	Minor	Shackleford	Wadsworth
S. Dak. Hepburn		Mondell	Shartel	Weisse
Butler,	Hill, Conn.	Mudd	Sibley	Welborn
Tenn. Hitt		Murdock	Slayden	Wharton
Calder	Hogg	Morris	Slemp	Wiley, Ala.
Chaney	Howard	Overstreet	Small, Ky.	Woodyard
Clayton	Hughes	Page	Smith,	Zenor
Cooper, Pa.	Hull	Palmer	Samuel W.	
Cushman	Ketcham		Smith, Pa.	

The following members were paired for the resolution:

Hull	Deemer	Powers	Law	Bingham
Bradley	Greene	Slemp	Knapp	Beldler
Foss	Fuller	Vreeland	Knowland	Buckman
Dale	Graham	Wachter	Ketcham	Littlefield
Babcock	Hughes	Woodyard	Hepburn	Burleigh
Andrus	Hedge	Smith,	Fordney	Bede
Southard	Edwards	Samuel W.	Draper	Pearre
Lilley, Pa.	Longworth	Sibley	Dawes	Wadsworth
Butler, Pa.	Dovener	Rhodes	Cooper, Pa.	
Hill, Conn.	Hitt	Palmer	Gillett,	
Birdsall	Le Fevre	Murdock	Mass.	
Brownlow	Welborn	Mudd	Bowersock	

The following were paired against it:

Slayden	Kline	Kitchin,	Smith, Ky.	Clayton
Goulden	Patterson,		Claude Taylor, Ala.	Bowers
Meyer	N. C. Gudger		Reid	Goldfogle
Bowie	Richardson,	Gaines,	Rainey	Alken
Little	Ky.	Tenn.	Towne	Robertson,
Thomas,	Page	Glass	Randell, Tex.	La.
N. C. Reid		Field	Richardson,	Sullivan,
Hardwick	Spight	Wiley, Ala.	Ala.	N. Y.
Gilbert, Ky.	Broocks, Tex.	Southall	Patterson,	McDermott
Garner	Stephens,	Stanley	Tenn.	Brantley
Butler, Tenn.	Tenn.	Small	McLain	Van Duzer
Hearst	Sparkman	Shackleford	Lewis	Zenor
Smith, Tex.	Legare	Robinson,	Howard	

Official statement showing monthly operations of McKinley tariff from October, 1890, when it took effect, to the inauguration of Mr. Cleveland, March, 1893. The table (printed elsewhere) prepared by Hon. John W. Gaines, is based on this statement.

APPENDIX D.

A LIST OF TRUSTS IN THE UNITED STATES.

This list of 287 industrial trusts—probably the most complete ever published, is prepared by Mr. John Moody, of New York, publisher of Moody's Manual of Corporation Securities, the standard reference book for American investment securities of every nature.

This list embraces all so-called trusts of importance, and includes besides industrial combinations, the large security-holding (but not operating) companies in the gas, electric light, electric and steam railroad industries. Hence a security-holding company, or "trust," such as the Bay State Gas Company, is included, whereas the Consolidated Gas Company of New York is omitted. Likewise the Northern Securities Company is included, but the Pennsylvania Railroad Company omitted. The many consolidated transportation and other franchise corporations not embraced in this list, such as railroad, traction, lighting and water combinations, would aggregate in capitalization many billions of dollars. This list, however, is limited to what are popularly known as "industrial trusts." The industrial companies here embraced are all consolidations or absorptions of one kind or another.

NAME OF COMPANY.	Capital Stock Outstanding.	Bonded Debt Outstanding.
x Alabama Consol. Coal Mine Co.....	\$ 5,000,000	\$ 495,000
x Alabama & Georgia Iron Co.....	1,300,000	.....
x Allied Securities Co.....	5,000,000	.....
x Allis-Chalmers Co.....	36,250,000	.....
x Amalgamated Copper Co.....	155,000,000	.....
x American Agricultural Chemical Co...	33,600,000	.....
x American Axe & Tool Co.....	2,000,000	.....
x American Beet Sugar Co.....	19,000,000	1,000,000
x American Bicycle Co.....	26,996,400	9,500,000
x American Book Co.....	5,000,000	.....
x American Brake, Shoe & Foundry Co...	4,500,000	1,000,000
x American Brass Co.....	10,000,000	.....
x American Can Co.....	86,466,600	.....
x American Car & Foundry Co.....	60,000,000	.....
x American Caramel Co.....	2,000,000	475,000
x American Cement Co.....	2,000,000	930,000
x American Cereal Co.....	3,400,000	1,187,000
x American Chicle Co.....	9,000,000	.....
x American Cigar Co.....	10,000,000	.....
x American Coal Co.....	1,500,000	.....
x American Cotton Oil Co.....	30,435,700	3,000,000
x American Felt Co.....	3,250,000	500,000
x American Fruit Products Co.....	1,750,000	.....
x American Glue Co.....	2,400,000	.....
* American Graphophone Co.....	2,000,000	300,000
* American Grass Twine Co.....	13,083,000	.....
x American Hardware Corporation.....	5,000,000	.....
x American Hide and Leather Co.....	24,500,000	8,525,000
* American Hominy Co.....	3,750,000	1,250,000
x American Ice Co.....	40,000,000	1,705,000
x American Iron & Steel Mfg Co.....	20,000,000	.....
x American Light & Traction Co.....	12,127,800	.....
x American Linseed Co.....	33,500,000	.....
* American Lithographic Co.....	4,000,000	.....
x American Locomotive Co.....	49,100,000	1,312,500

NAME OF COMPANY.	Capital Stock Outstanding.	Bonded Debt Outstanding.
x American Machine & Ordnance Co....	\$10,000,000	.....
x American Malting Co.....	28,940,000	\$3,893,000
* American Packing Co.....	20,000,000	.....
x American Perfume Co.....	5,000,000	.....
x American Pipe Mfg. Co.....	2,000,000	.....
x American Plow Co.....	75,000,000	.....
x American Pneumatic Service Co.....	7,679,000	464,000
x American Radiator Co.....	7,893,000	.....
x American Railway Equipment Co.....	22,000,000	.....
x American Railways Co.....	3,750,000	2,500,000
x American School Furniture Co.....	8,856,100	1,500,000
x American Screw Co.....	3,250,000	.....
x American Sewer Pipe Co.....	7,795,700	2,500,000
x American Shipbuilding Co.....	15,500,000	.....
x American Silver & Casket Co.....	500,000	.....
x American Smelting & Refining Co....	100,000,000	.....
* American Snuff Co.....	23,001,700	.....
x American Steel Foundries' Co.....	30,000,000	.....
x American Stove Co.....	5,000,000	.....
* American Soda Fountain Co.....	3,750,000	.....
x American Sugar Refining Co.....	89,871,100	.....
x American Telephone & Telegraph Co...	114,748,000	38,000,000
x American Thread Co.....	10,890,475	6,513,500
x American Tube & Stamping Co.....	2,800,000	.....
x American Type Founders Co.....	5,000,000	975,000
x American Window Glass Co.....	17,000,000	.....
x American Woolen Co.....	49,501,100	295,000
x American Wringer Co.....	2,500,000	.....
x American Writing Paper Co.....	22,000,000	17,000,000
x Ames Shovel & Tool Co.....	5,000,000	.....
x Anthony & Scoville Co.....	1,000,000	.....
x Associated Merchants' Co.....	15,000,000	.....
* Atlantic Rubber Shoe Co.....	10,000,000	.....
x Automatic Weighing Machine Co.....	3,600,000	.....
x Automobile & Cycle Parts Co.....	3,377,500	.....
* Baltimore Brick Co.....	2,000,000	1,500,000
x Bay State Gas Co.....	100,000,000	12,000,000
x Biglow Carpet Co.....	4,030,000	425,000
x Booth & Co. (A).....	5,500,000	.....
x Borden's Condensed Milk Co.....	25,000,000	.....
x Boston Suburban Electric Co.'s.....	4,500,000	.....
* California Fruit Cannery Assn.....	2,891,600	.....
x California Wine Association.....	4,337,200	.....
x Cambria Steel Co.....	45,000,000	.....
x Casein Co. of America.....	6,492,000	.....
x Celluloid Company.....	5,925,000	.....
* Central Coal & Coke Co.....	3,750,000	.....
* Central Fireworks Co.....	2,673,350	.....
x Central Foundry Co.....	14,000,000	4,000,000
x Central Hudson Steamboat Co.....	1,000,000	500,000
x Chicago & N. W. Granaries Co.....	1,200,000	600,000
x Chicago Pneumatic Tool Co.....	7,500,000	2,500,000
x Chicago Railway Term'l Elevator Co...	2,733,770	1,365,500
x City of Chicago Brew'g & Malt'g Co., Ltd.	6,087,500	3,166,000
x Colorado Fuel & Iron Co.....	25,000,000	18,300,000
x Commercial Cable Co.....	13,333,300	20,000,000
x Compressed Air Co.....	7,156,300	500,000
x Consolidated Car Heating Co.....	1,250,000	.....
x Consolidated Lake Superior Co.....	86,000,000	.....
x Consolidated Lime Co.....	2,500,000	.....
x Consol. Railway Lighting & Refrig. Co.	17,000,000	.....
x Consolidated Rosendale Cement Co....	1,500,000	1,100,000
x Consolidated Tobacco Co.....	94,844,600	167,844,600
x Consolidated Wagon & Machine Co....	1,200,000	.....
x Continental Cotton Oil Co.....	3,325,686	.....
x Continental Gin Co.....	2,000,000	356,000

NAME OF COMPANY.	Capital Stock Outstanding.	Bonded Debt Outstanding.
x Corn Products Co.....	\$80,000,000	.....
x Coxe Bros. & Co.....	3,320,100	.....
x Crucible Steel Co. of America.....	50,000,000	.....
Denver United Breweries, Ltd.....	2,000,000	\$1,000,000
x Diamond Match Co.....	15,000,000	.....
x Diamond State Steel Co.....	4,250,000	1,000,000
* Distilling Co. of America.....	74,011,291	5,453,000
Dominion Securities Co.....	3,000,000	.....
East Coast Milling Co.....	9,000,000	.....
x Eastman Kodak Co.....	19,673,100	.....
* Electric Boat Co.....	7,041,000	.....
* Electric Co. of America.....	20,368,400	.....
* Electric Storage Battery Co.....	16,250,000	.....
x Electric Vehicle Co.....	16,800,000	1,675,000
x Empire Steel & Iron Co.....	4,462,500	.....
x Fairmont Coal Co.....	12,000,000	6,000,000
Federal Telephone Co.....	10,000,000	.....
Fisheries Co.....	2,532,757	500,000
x General Chemical Co.....	16,821,500	.....
x General Electric Co.....	45,000,000	.....
Great Lakes Towing Co.....	3,627,850	.....
* Great Western Cereal Co.....	3,000,000	1,500,000
x Harbison-Walker Refractories Co.....	22,250,000	3,500,000
x Herring-Hall-Marvin Safe Co.....	2,300,000	.....
Heywood Bros. & Wakefield Co.....	6,000,000	.....
* Hydraulic Press Brick Co.....	3,000,000	.....
* Illinois Brick Co.....	7,500,000	.....
Indianapolis Breweries Co.....	1,350,000	800,000
International Elevating Co.....	2,200,000	.....
International Emery & Corundum Co..	1,150,000	500,000
x International Fire Engine Co.....	6,500,000	.....
International Navigation Co.....	14,205,000	13,686,000
International Nickel Co.....	24,000,000	10,000,000
x International Paper Co.....	39,849,400	9,169,000
International Power Co.....	7,000,000	225,000
x International Pulp Co.....	5,000,000	.....
x International Salt Co.....	30,000,000	3,000,000
x International Silver Co.....	15,051,700	3,840,000
x International Steam Pump Co.....	27,500,000	3,650,000
* Jefferson & Clearfield Coal & Iron Co...	3,000,000	3,000,000
Johns (H. W.) -Manville Co.....	3,000,000	.....
Jones (Frank) Brewing Co., Ltd.....	4,000,000	2,500,000
x Jones & Laughlin Steel Co.....	30,000,000	.....
x Kanawha & Hocking Coal & Coke Co...	3,500,000	2,750,000
x Keystone Coal & Coke Co.....	2,500,000	.....
* Keystone Watch Case Co.....	3,240,000	.....
* Kirby Lumber Co.....	10,000,000	.....
Knickerbocker Ice Co., Chicago.....	7,000,000	1,962,000
x Lackawanna Iron & Steel Co.....	20,000,000	1,800,000
Light, Heat and Power Corporation....	934,300	100,000
x Magnus Metal Co.....	2,000,000	.....
x Manufacturers & Consumers' Coal Co...	5,000,000	.....
Manville Co.....	6,000,000	.....
Maryland Brewing Co.....	5,000,000	9,125,000
Massachusetts Breweries Co.....	6,500,000	1,200,000
* Massachusetts Electric Companies.....	29,350,500	2,700,000
Medina Quarry Co.....	2,000,000	1,140,000
Metropolitan Securities Co.....	30,000,000	.....
Milwaukee & Chicago Breweries, Ltd...	7,548,500	3,500,000
x Mississippi Wire Glass Co.....	1,500,000	.....
x Monongahela River Con. Coal & Coke Co.	30,000,000	9,470,000
x National Asphalt Co.....	19,600,000	35,963,000
x National Biscuit Co.....	53,061,100	1,683,000
x National Carbon Co.....	10,000,000	.....
x National Casket Co.....	6,000,000	.....
x National Enameling & Stamping Co....	23,838,400	.....

NAME OF COMPANY.	Capital Stock Outstanding.	Bonded Debt Outstanding.
x National Fire Proofing Co.....	\$12,500,000	.....
x National Glass Co.....	2,317,900	\$2,000,000
x National Lead Co.....	29,809,400	.....
x National Roofing & Corrugating Co....	5,000,000	.....
x National Saw Co.....	1,000,000	.....
x National Sugar Refining Co.....	20,000,000	.....
x New England Breweries Co.....	2,050,000	1,000,000
* New England Brick Co.....	3,100,000	750,000
x New England Cotton Yarn Co.....	10,000,000	5,577,000
New York Breweries Co., Ltd.....	3,000,000	1,890,000
New York Dock Co.....	17,000,000	11,580,000
New York & Kentucky Co.....	2,000,000	.....
x Niles-Bement-Pond Co.....	7,000,000	.....
Norfolk Refrigerating, Storage & Ice Co.	1,000,000	1,000,000
North American Company.....	12,000,000	.....
Northern Commercial Co.....	1,622,800	2,620,000
Northern Securities Co.....	400,000,000	.....
Ohio & Indiana Con. Nat. & Illum. Gas Co.	9,000,000	7,350,000
* Otis Elevator Co.....	10,850,000	.....
x Pacific Coast Biscuit Co.....	2,950,000	1,000,000
Pacific Coast Co.....	12,145,800	4,446,000
x Pacific Hardware & Steel Co.....	10,000,000	.....
Paterson Brewing & Malting Co.....	3,000,000	.....
Peninsular & Occidental S. S. Co.....	2,000,000	.....
Pennsylvania Central Brewing Co.....	5,600,000	2,700,000
x Pennsylvania Furnace Co.....	2,100,000	.....
x Pennsylvania Steel Co.....	27,250,000	7,000,000
Peoples' Brewing Co. of Trenton.....	1,100,000	.....
Pepperell Mfg. Co.....	2,556,000	.....
Pittsburg Brewing Co.....	19,500,000	6,500,000
x Pittsburgh Coal Co.....	59,731,900	.....
x Pittsburgh Stove & Range Co.....	2,000,000	.....
x Pittsburgh Valve Foundry & Con. Co..	1,150,000	.....
Planters' Compress Co.....	10,000,000	.....
Pneumatic Signal Co.....	3,000,000	.....
* Pressed Steel Car Co.....	25,000,000	5,000,000
* Pullman Company.....	74,000,000	.....
* Quaker Oats Co.....	11,500,000	.....
Railways Company General.....	1,200,000	.....
x Railway Steel Spring Co.....	20,000,000	.....
Railroad Securities Co.....	8,000,000	8,000,000
* Reece Buttonhole Machine Co.....	1,000,000	.....
x Republic Iron & Steel Co.....	48,204,000	.....
x Rochester Optical & Camera Co.....	2,600,000	.....
Rock Island Company.....	150,000,000	.....
x Rocky Mountain Paper Co.....	1,350,000	.....
Rogers (Wm. A.), Ltd.....	1,350,000	.....
x Royal Baking Powder Co.....	20,000,000	.....
x Rubber Goods Mfg. Co.....	24,993,100	1,416,915
St. Louis Breweries, Ltd.....	8,766,000	4,961,600
Safety Car Heating & Lighting Co.....	4,125,000	.....
Sanitary Laundry Co.....	2,000,000	100,000
Sea Coast Packing Co.....	8,000,000	.....
x Sloss-Sheffield Steel & Iron Co.....	14,200,000	4,000,000
x Somerset Coal Co.....	4,000,000	4,000,000
x Southern Car & Foundry Co.....	2,000,000	.....
x Southern Cotton Oil Co.....	10,000,000	.....
Springfield Breweries, Ltd.....	2,300,000	1,150,000
* Standard Carbide Gas Co.....	5,000,000	.....
x Standard Chain Co.....	2,308,600	568,000
x Standard Milling Co.....	11,500,000	5,750,000
x Standard Oil Co.....	97,500,000	.....
x Standard Rope & Twine Co.....	12,000,000	10,335,000
* Standard Sanitary Mfg. Co.....	3,973,000	1,757,000
x Standard Table Oilcloth Co.....	8,000,000	.....
* Standard Typewriter Co.....	1,000,000	925,000

NAME OF COMPANY.	Capital Stock Outstanding.	Bonded Debt Outstanding.
x Steel Tired Wheel Co.....	\$4,000,000	
x Stillwell-Bierce & Smith-Valle Co.....	1,012,100	\$300,000
Sterling Co.....	1,875,000	
x Susquehanna Iron & Steel Co.....	1,500,000	300,000
x Tennessee Coal, Iron & R. R. Co.....	22,553,060	12,793,000
x Trenton Potteries Co.....	3,000,000	
x Union Bag & Paper Co.....	27,000,000	
x Union Carbide Co.....	6,000,000	500,000
x United Box, Board & Paper Co.....	30,000,000	
x United Button Co.....	3,000,000	
x Union Steel & Chain Co.....	1,101,900	
x Union Switch & Signal Co.....	1,495,550	530,000
x Union Typewriter Co.....	18,000,000	
United Breweries Co.....	11,063,000	3,413,000
x United Copper Co.....	50,000,000	
United Electric Securities Co.....	1,500,000	2,231,000
x United Engineering & Foundry Co....	5,550,000	
United Fruit Co.....	12,369,500	3,000,000
United Gas & Electric Co.....	1,600,000	600,000
United Gas Improvement Co.....	28,250,000	
x United Matchless Machinery Co.....	1,010,000	
United Power & Transportation Co....	3,125,000	
United Railways Co. of St. Louis.....	32,411,200	28,272,000
x United Shoe Machinery Co.....	20,656,575	
x United States Bobbin & Shuttle Co....	1,651,000	300,000
United States Brewing Co., Ltd.....	3,500,000	2,000,000
x United States Cast Iron Pipe & F'nd. Co	25,000,000	
x United States Cotton Duck Corp.....	13,100,000	
x United States Envelope Co.....	4,500,000	2,000,000
x United States Finishing Co.....	3,000,000	1,750,000
x United States Glass Co.....	4,148,100	
United States Gypsum Co.....	7,500,000	
x United States Leather Co.....	125,164,600	5,280,000
x United States Paving Co.....	2,000,000	
United States Printing Co.....	3,376,300	
United States Realty & Construction Co.	66,000,000	
x United States Reduction & Refining Co.	9,808,300	3,000,000
x United States Rubber Co.....	47,191,500	12,000,000
x United States Shipbuilding Co.....	45,000,000	9,000,000
x United States Steel Corporation.....	1,018,809,300	358,376,636
United States Voting Machine Co.....	1,000,000	
x United Wire & Supply Co.....	1,000,000	
x Universal Tobacco Co.....	10,000,000	
x Utica Steam & Mohawk Val. Cotton Mills	2,000,000	
x Virginia Carolina Chemical Co.....	39,948,400	
x Virginia Iron, Coal & Coke Co.....	8,970,000	10,000,000
x Vulcan Detinning Co.....	3,500,000	
x Washburn Wire Co.....	3,750,000	
Western Stone Co.....	2,250,000	488,000
Western Union Telegraph Co.....	120,912,360	25,139,000
* Westinghouse Air Brake Co.....	10,950,000	
Westinghouse Aut. Air & Steam Coup. Co.	5,000,000	
x Westinghouse Electric & Mfg. Co.....	14,788,276	3,200,000
x Wisconsin Lime & Cement Co.....	5,000,000	
x Yellow Pine Co.....	1,845,700	
	\$5,803,231,600	\$1,169,217,251

Total Stocks.....\$5,803,231,600

Total Bonds.....1,169,217,251

Total Capitalization.....\$6,972,448,851

Number of Trusts 287.

The foregoing list embraces 287 industrial combinations or trusts, and includes practically everything of importance in the United States. Of these trusts, those marked "x" enjoy direct tariff benefits in more or less degree. There are 168 of them.

Those marked "*" probably receive some benefit from the tariff. There are 38 of these. Two hundred and six trusts, then, are more or less tariff protected. The products of most of the remaining 81 trusts are on the tariff list, but their protection is only nominal.

Of this list of trusts, 21 derive their strength chiefly from patent rights; 28 are based on municipal or other franchises, rights of way, etc.; 19 are based on control of coal and other lands, mines, ore deposits, etc., exclusively. The balance of the unprotected trusts have in most cases some other element of monopoly which contributes to their strength. Where the element of monopoly is small, the general financial standing of the trust in nearly all cases, is weak.

TOTAL CAPITALIZATION OF 168 TARIFF PROTECTED TRUSTS.

Stocks	\$4,182,812,902
Bonds	914,081,110
Total	\$5,096,894,012

TOTAL CAPITALIZATION OF 119 OTHER TRUSTS.

Stocks	\$1,580,418,698
Bonds	255,136,100
Total	\$1,835,554,798

Proportion of trusts enjoying tariff benefits, 59 per cent.

Proportion of capital in trusts enjoying tariff benefits, 74 per cent.

Total capitalization of 206 trusts more or less protected by tariff, \$5,571,616,153.

Total capitalization of 81 trusts with little or no protection, \$1,380,832,657.

Proportion of trusts not protected, 28 per cent.

Proportion of capital in trusts not protected, 19 per cent.

ESTIMATED STOCK OF GOLD AND SILVER IN UNITED STATES.

	Gold.	Per capita.		Silver.	Per capita.
1893.....	\$597,697,685	8.93	1893.....	\$615,861,484	9.20
1896.....	599,597,964	8.40	1896.....	628,728,071	8.81
1905.....	1,357,881,186	16.31	1905.....	686,401,168	8.24
	<u>\$2,555,176,835</u>	<u>33.64</u>		<u>\$1,930,990,723</u>	<u>26.25</u>

PRODUCTION OF GOLD.

	Gold.	Value.		Silver.	Value.
1893.....	\$35,955,000	.....	1893.....	\$46,800,000	.....
1896.....	53,088,000	.....	1896.....	39,654,600	.....
1904.....	80,464,000	.....	1904.....	33,456,000	.....
	<u>\$169,507,000</u>	<u>.....</u>		<u>\$119,910,600</u>	<u>.....</u>

GOLD AND SILVER STATISTICS.

OFFICIAL TABLE OF STOCK OF COIN IN THE UNITED STATES JUNE 30, 1905.

Item,	Gold.	Silver.	Total.
Estimated stock of coin June 30, 1904.....	\$1,285,080,291	\$674,857,600	\$1,959,937,891
Net imports United States coin fiscal year 1905.....		302,129	302,129
United States coin returned in transports from the Philippine Islands, not recorded at the custom-house, fiscal year 1905....		^a 843,142	843,142
Coinage, fiscal year 1905....	79,983,692	9,123,971	89,107,663
Total	\$1,365,063,983	\$685,126,842	\$2,050,190,825
Loss:			
Net exports United States coin fiscal year 1905..	52,172,615		52,172,615
United States and Hawaiian coin melted for recoinage (face value).	3,431,211	1,973,788	5,404,999
United States coin estimated to have been used in the arts.....	3,500,000	100,000	3,600,000
Total	\$59,103,826	\$2,073,788	\$61,177,614
Estimated stock of coin in the United States June 30, 1905.....	\$1,305,960,157	\$683,053,054	\$1,989,013,211

^a Of this amount \$437,578 were in one-dollar pieces.

NOTE.—The number of standard silver dollars coined to June 30, 1905, was 570,272,610, which, added to the Hawaiian dollar coinage of 500,000, plus the number imported from the Philippine Islands—150,000—and the number returned in Government transports from the Philippine Islands—437,578—equals 571,360,188. Since July 1, 1898, the number of standard silver dollars exported in transports has been 2,495,000, and since 1883 the number melted has been 183,083 (this report, page 21), and the number of Hawaiian dollars melted to June 30, 1905, has been 453,240, a total disposition of 3,131,323, leaving in the United States June 30, 1905, 568,228,865 standard silver dollars, and \$114,824,189 in subsidiary silver coins.—Mint Report, 1905.

WORLD'S STOCK

The monetary systems and an estimate of the approximate stock of the world at the close of the calendar year 1904 are shown in the being used only in the absence of official information.

Monetary Systems and Approximate Stocks of Money, in the Aggregate and

Country.	Monetary standard.	Monetary unit.	Population.	Stock of gold.		
				In banks and public treasuries.	In circulation.	Total.
			Thou- sands.	Thou- sands.	Thou- sands.	Thou- sands.
United States....	Gold..	Dollar.....	82,600	a \$887,800	\$460,400	\$1,348,200
Austria Hungary..	..do..	Crown.....	48,600	b 240,000	b 65,000	b 305,000
Belgium.....	..do..	Franc.....	7,000	b 19,100	d 10,900	bd 30,000
British Empire:						
Australasia.....	..do..	Pound sterling	5,700	b 111,600	d 17,000	bd 128,600
Canada.....	..do..	Dollar.....	5,800	b 52,500	(c)	b 52,500
United Kingdom	..do..	Pound sterling	43,500	b 194,000	d 339,200	d 533,200
India.....	..do..	Pound sterling and rupee.	295,200	e 53,300	d 210,600	de 263,900
South Africa...	..do..	Pound sterling	7,100	b 41,000	b 15,000	b 56,000
Straits Settlements f.....	Silver.	Dollar.....	5,300	.....	.....	(c)
Bulgaria.....	Gold..	Leva.....	3,700	g 1,900	(c)	g 1,900
Cuba.....	..do..	Peseta.....	1,600	d 20,000	(c)	d 20,000
Denmark.....	..do..	Crown.....	2,600	b 17,400	(c)	b 17,400
Egypt.....	..do..	Piaster.....	9,800	d 12,000	d 75,000	d 87,000
Finland.....	..do..	Markkaa.....	2,800	f 4,400	(c)	g 4,400
France.....	..do..	Franc.....	39,000	b 519,700	b 406,700	b 926,400
Germany.....	..do..	Mark.....	56,400	b 197,300	d 689,400	bd 886,700
Greece.....	..do..	Drachma.....	2,400	b 5,400	b 200	b 5,600
Haiti.....	..do..	Gourde.....	1,300	b 1,000	(c)	b 1,000
Italy.....	..do..	Lira.....	33,200	b 131,400	(c)	b 131,400
Japan.....	..do..	Yen.....	49,800	b 42,700	b 10,100	b 52,800
Mexico.....	..do..	Peso.....	13,600	b 8,600	(c)	b 8,600
Netherlands.....	..do..	Florin.....	5,400	b 27,200	b 9,300	b 36,500
Norway.....	..do..	Crown.....	2,300	b 6,800	(c)	b 6,800
Portugal.....	..do..	Milreis.....	5,400	b 5,300	(c)	b 5,300
Roumania.....	..do..	Lei.....	6,300	b 10,400	(c)	b 10,400
Russia.....	..do..	Ruble.....	128,200	b 526,900	b 256,800	b 783,700
Servia.....	..do..	Dinar.....	2,600	b 3,300	(c)	b 3,300
Siam.....	..do..	Tical.....	5,200	b 1,000	(c)	b 1,000
South American States:						
Argentina.....	..do..	Peso.....	5,200	b 72,100	(c)	b 72,100
Bolivia.....	Silver.	Boliviano.....	1,800	b 400	(c)	b 400
Brazil.....	Gold..	Milreis.....	16,000	.....	.....	(c)
Chile.....	..do..	Peso.....	3,200	b 9,500	(c)	b 9,500
Colombia.....	..do..	Dollar.....	3,900	b 200	(c)	b 200
Ecuador.....	..do..	Sucre.....	1,300	b 1,700	(c)	b 1,700
Guiana (British)	..do..	Pound sterling	300	.....	.....	(c)
Guiana (Dutch)	..do..	Florin.....	100	b 1,000	(c)	b 1,000
Guiana (French)	..do..	Franc.....	100	.....	.....	(c)
Paraguay.....	..do..	Peso.....	600	b 100	(c)	b 100
Peru.....	..do..	Sol.....	4,600	b 3,900	(c)	b 3,900
Uruguay.....	..do..	Peso.....	1,000	b 11,200	(c)	b 11,200
Venezuela.....	..do..	Bolivar.....	2,600	b 700	b 4,800	b 5,500
Spain.....	..do..	Peseta.....	18,700	b 72,100	(c)	b 72,100
Sweden.....	..do..	Crown.....	5,200	b 17,000	b 3,200	b 20,200
Switzerland.....	..do..	Franc.....	3,300	b 20,700	d 8,900	bd 29,600
Turkey.....	..do..	Piaster.....	24,000	d 10,000	d 40,000	d 50,000
Central American States.....	Silver i	Peso.....	4,100	b 2,000	(c)	b 2,000
China.....	..do..	Tael.....	330,100	.....	.....	(c)
Total.....			1,298,500	3,364,600	2,622,500	5,987,100

a In United States Treasury and national banks.

b Official information furnished through United States representatives.

c No information.

d Estimate, Bureau of the Mint.

e The figures for the total stock of gold in India are for the net imports since 1893-94 the production of the country. The amount in the Government Treasury is from official advices. The net imports of gold since 1835-36—when the records begin—amount to \$817,374,610 and the production recorded to \$103,209,754. The tide of gold and silver has been flowing into India for centuries.

OF MONEY.

of gold, silver, and uncovered paper money in the different countries following table compiled from official and unofficial sources, the latter

Per Capita, in the Principal Countries of the World, December 31, 1904.

Stock of Silver.			Uncovered paper.	Per capita.			
Full tender.	Limited tender.	Total.		Gold.	Silver.	Paper.	Total.
Thousands.	Thousands.	Thousands.	Thousands.				
\$573,200	\$111,900	\$685,100	\$559,900	\$16.33	\$8.30	\$6.78	\$31.41
(c)	b 79,700	b 79,700	b 54,700	6.27	1.64	1.13	9.04
d 15,000	d 9,700	d 24,700	b 111,900	4.28	3.53	15.99	23.80
.....	b 6,100	b 6,100	.....	22.56	1.07	.....	23.63
.....	b 6,700	b 6,700	b 65,100	9.05	1.16	11.22	21.43
.....	b 113,400	b 113,400	b 118,100	12.26	2.61	2.71	17.58
b 603,800	.....	b 603,800	b 32,400	.89	2.05	.11	3.05
.....	b 20,000	b 20,000	.....	7.89	2.81	.....	10.70
b 16,000	b 3,200	b 19,200	b 20,000	.....	3.62	3.77	7.39
g 900	g 1,000	g 1,900	g 4,100	.51	.51	1.11	2.13
(c)	d 5,000	d 5,000	.....	12.50	3.12	.....	15.62
.....	b 6,200	b 6,200	b 10,700	6.69	2.39	4.11	13.19
.....	b 15,000	b 15,000	.....	8.87	1.53	.....	10.40
.....	g 400	g 400	g 9,100	1.57	.14	3.25	4.96
b 347,400	b 63,700	b 411,100	b 110,900	23.75	10.54	2.84	37.13
b 37,100	b 173,100	b 210,200	b 169,800	15.72	3.73	3.01	22.46
b 100	.....	b 100	b 16,200	2.33	.04	6.75	9.12
b 1,000	b 1,500	b 2,500	b 3,500	.77	1.92	2.69	5.38
b 11,500	b 14,100	b 25,600	b 150,700	3.96	.77	4.53	9.26
.....	b 41,300	b 41,300	b 101,200	1.06	.83	2.03	3.92
b 52,800	.....	b 52,800	b 48,900	.63	3.89	3.59	8.11
b 52,800	b 4,000	b 56,800	b 51,200	6.76	10.52	9.48	26.76
.....	b 3,000	b 3,000	b 6,200	2.96	1.30	2.69	6.95
.....	b 8,400	b 8,400	b 61,000	.98	1.56	11.29	13.83
(c)	b 600	b 600	b 11,300	1.65	.10	1.79	3.54
.....	b 101,900	b 101,900	.....	6.11	.79	.....	6.90
(c)	b 1,500	b 1,500	b 2,500	1.27	.57	.96	2.80
b 22,300	.....	b 22,300	.....	.19	4.29	.....	4.48
.....	(c)	(c)	b 286,100	13.86	.....	55.02	68.88
b 3,800	.....	b 3,800	b 3,200	.22	2.11	1.78	4.11
.....	b 300	b 300	b 368,100	.....	.02	23.00	23.02
(c)	b 2,900	b 2,900	b 30,700	2.97	.91	9.59	13.47
.....	(c)	(c)	b 741,000	.05	.....	190.00	190.05
(c)	b 100	b 100	b 1,300	1.31	.07	1.00	2.38
.....	(c)	(c)	b 600	.....	.....	2.00	2.00
.....	b 200	b 200	b 200	10.00	2.00	2.00	14.00
.....	(c)	(c)	b 600	.....	.....	6.00	6.00
.....	(c)	(c)	b 10,500	.17	.....	17.50	17.67
.....	b 2,400	b 2,400	.....	.85	.52	.....	1.37
.....	b 3,200	b 3,200	.....	11.20	3.20	.....	14.40
.....	b 4,600	b 4,600	.....	.27	1.77	.....	2.04
(c)	b 173,700	b 173,700	b 125,100	3.85	9.29	6.69	19.83
.....	b 7,600	b 7,600	b 29,300	3.89	1.46	5.63	10.98
(c)	h 10,700	h 10,700	b 23,000	8.97	3.24	6.97	19.18
d 30,000	d 10,000	d 40,000	.....	2.08	1.67	.....	3.75
b 5,600	.....	b 5,600	b 53,400	.49	1.36	13.02	14.87
d 350,000	.....	d 350,000	.....	.....	1.06	.....	1.06
2,123,300	1,007,100	3,130,400	3,392,500	4.61	2.41	2.61	9.63

f Includes Straits Settlements, the Malay States, Ceylon, and Johore.

g L Economist Europeen, January, 1905.

h C Cramer Frey.

i Except Costa Rica and British Honduras—gold standard countries.

NOTE—The value of the monetary stock of silver standard countries has been changed to conform to the decline in silver values. The monetary stock of Mexico and other countries where the Mexican dollar circulates is given in Mexican dollars at bullion value.

The foregoing table of the world's stock of money is for December 31, 1904. It is submitted as giving the best information obtainable, but unsatisfactory in many respects, owing to defective returns. The world's stock of gold in monetary use foots up \$5,987,100,000; of silver, \$3,130,400,000, and of uncovered paper, \$3,392,500,000, showing, as compared with the estimate of December 31, 1903, an increase in gold of \$301,400,000, decrease in silver of \$82,800,000, and in uncovered paper of \$119,000,000.

The most important gains in gold were as follows: India, \$200,700,000; United States, \$27,800,000; Germany, \$85,300,000; Egypt, \$27,000,000; Austria-Hungary, \$18,200,000; Netherlands, \$8,100,000. Countries showing a decrease were France, \$41,900,000 (France has submitted a new estimate which this Bureau adopts as official), and Japan, \$17,000,000. The decrease shown in silver is due to a reduction in the estimates for Siam and Italy.

On December 31, 1904, the United States, Great Britain, Germany, Austria-Hungary, France, and Russia, with a total population of 398,300,000, held \$4,783,200,000, or over 79 per cent. of the world's stock of gold.

COINAGE OF NATIONS.

Calendar year.	Gold.	Silver.
1902.....	\$220,405,125	\$193,715,362
1903	240,496,274	208,367,849
1904.....	455,427,085	172,270,379

The above figures represent, as nearly as this Bureau has been able to ascertain, the total value of the gold and silver coinages executed in the world during the years given.

The total of these coinages does not correctly represent the amount of new gold and new silver made into coins during the year, for the reason that the coinages as reported include the value of domestic and foreign coins melted for recoinage, as well as old material, plate, etc., used in coinage.

COINAGE OF GOLD AND SILVER OF THE MINTS OF THE WORLD FOR THE CALENDAR YEARS SINCE 1873.

Calendar year.	Gold.		Silver.	
	Fine ounces.	Value.	Fine ounces.	Value.
1873	12,462,890	257,630,802	101,741,421	131,544,464
1874	6,568,279	135,778,387	79,610,875	102,931,232
1875	9,480,892	195,987,428	92,747,118	119,915,467
1876	10,309,645	213,119,278	97,899,525	126,577,164
1877	9,753,196	201,616,466	88,449,796	114,359,332
1878	9,113,202	188,386,611	124,671,870	161,191,913
1879	4,390,167	90,752,811	81,124,555	104,888,313
1880	7,242,951	149,725,081	65,442,074	84,611,974
1881	7,111,864	147,015,275	83,539,051	108,010,085
1882	4,822,851	99,697,170	85,685,996	110,785,934
1883	5,071,882	104,845,114	84,541,904	109,306,705
1884	4,810,061	99,432,795	74,120,127	95,832,084
1885	4,632,273	95,757,582	98,044,475	126,764,574
1886	4,578,310	94,642,070	96,566,844	124,854,101
1887	6,046,510	124,992,465	126,388,502	163,411,397
1888	6,522,346	134,828,855	104,354,000	134,922,344
1889	8,170,611	168,901,519	107,788,256	139,362,595
1890	7,219,725	149,244,965	117,789,228	152,293,144
1891	5,782,463	119,534,122	106,962,049	138,294,367
1892	8,343,387	172,473,124	120,282,947	155,517,347
1893	11,243,342	232,420,517	106,697,783	137,952,690
1894	11,025,680	227,921,032	87,472,523	113,095,788
1895	11,178,855	231,087,438	98,128,832	126,873,642
1896	9,476,639	195,899,517	123,394,239	159,540,027
1897	21,174,850	437,722,992	129,775,082	167,790,006
1898	19,131,244	395,477,905	115,461,020	149,282,936
1899	22,548,101	466,110,614	128,566,167	166,226,964
1900	17,170,053	354,936,497	143,362,948	185,358,156
1901	12,001,537	248,093,787	107,439,666	138,911,891
1902	10,662,098	220,405,125	149,826,725	193,715,362
1903	11,634,007	240,496,274	161,159,508	208,367,849
1904	22,031,285	455,427,085	145,332,335	172,270,379
Total.....	321,711,196	6,650,360,703	3,434,367,441	4,424,760,227

a Actual weight consumed in coinage.

—Report of the Director of the Mint, 1905.

Estimated Stock of Gold and Silver in the United States and the Amount Per Capita at the Close of each Fiscal Year since 1873.

Fiscal year ended June 30—	Population.	Total coin and bullion.		Per capita.		
		Gold.	Silver.	Gold.	Silver.	Total metallic.
1873.....	41,677,000	\$135,000,000	\$6,149,305	\$3.23	\$0.15	\$3.38
1874.....	42,796,000	147,379,493	10,355,478	3.44	.24	3.68
1875.....	43,951,000	121,134,906	19,367,995	2.75	.44	3.19
1876.....	45,137,000	130,056,907	36,415,992	2.88	.81	3.69
1877.....	46,353,000	167,501,472	56,464,427	3.61	1.21	4.82
1878.....	47,598,000	213,199,977	88,047,907	4.47	1.85	6.32
1879.....	48,866,000	245,741,837	117,526,341	5.02	2.40	7.42
1880.....	50,155,783	351,841,206	148,522,678	7.01	2.96	9.97
1881.....	51,316,000	478,484,538	175,384,144	9.32	3.41	12.73
1882.....	52,495,000	506,757,715	203,217,124	9.65	3.87	13.52
1883.....	53,693,000	542,732,063	233,007,985	10.10	4.34	14.44
1884.....	54,911,000	545,500,797	255,568,142	9.93	4.65	14.58
1885.....	56,148,000	588,697,036	283,478,788	10.48	5.05	15.53
1886.....	57,404,000	590,774,461	312,252,844	10.29	5.44	15.73
1887.....	58,680,000	654,520,335	352,993,566	11.15	6.00	17.15
1888.....	59,974,000	705,818,855	386,611,108	11.76	6.44	18.20
1889.....	61,289,000	680,063,505	420,548,929	11.09	6.86	17.95
1890.....	62,622,250	695,563,029	463,211,919	11.10	7.39	18.49
1891.....	63,975,000	646,582,852	522,277,740	10.10	8.16	18.26
1892.....	65,520,000	664,275,335	570,313,544	10.15	8.70	18.85
1893.....	66,946,000	597,697,685	615,861,484	8.93	9.20	18.13
1894.....	68,397,000	627,293,201	624,347,757	9.18	9.13	18.31
1895.....	69,878,000	636,229,825	625,854,949	9.10	8.97	18.07
1896.....	71,390,000	599,597,964	628,728,071	8.40	8.81	17.21
1897.....	72,937,000	696,270,542	634,509,781	9.55	8.70	18.25
1898.....	74,522,000	861,514,780	637,672,743	11.56	8.56	20.12
1899.....	76,148,000	962,865,505	639,286,743	12.64	8.40	21.04
1900.....	76,891,000	1,034,439,264	647,371,030	13.45	8.42	21.87
1901.....	77,754,000	1,124,652,818	661,205,403	14.47	8.50	22.97
1902.....	79,117,000	1,192,395,607	670,540,105	15.07	8.48	23.55
1903.....	80,847,000	1,249,552,756	677,448,933	15.45	8.38	23.83
1904.....	81,867,000	1,327,672,672	682,383,277	16.22	8.33	24.55
1905.....	83,259,000	1,357,881,186	686,401,168	16.31	8.24	24.55

No. 19.—PRODUCT OF GOLD AND SILVER IN THE UNITED STATES FROM 1792 TO 1844, AND ANNUALLY SINCE.

(The estimate for 1792-1873 is by R. W. Raymond, commissioner and since by Director of the Mint.)

Year.	Gold.		Silver.	
	Fine ounces.	Value.	Fine ounces.	Commercial Value.
1792 to July 31, 1834	677,250	\$14,000,000	Insignificant.	.....
July 31, 1834, to Dec. 31, 1844....	362,812	7,500,000	193,400	\$253,400
1845	48,762	1,008,000	38,700	50,200
1846	55,341	1,140,000	38,700	50,300
1847	43,005	889,000	38,700	50,600
Total.....	1,187,170	24,537,090	309,500	404,500
1848	483,750	10,000,000	38,700	50,500
1849	1,935,000	40,000,000	38,700	50,700
1850	2,418,750	50,000,000	38,700	50,900
1851	2,660,625	55,000,000	38,700	51,700
1852	2,902,500	60,000,000	38,700	51,300
1853	3,144,375	65,000,000	38,700	52,200
1854	2,902,500	60,000,000	38,700	52,200
1855	2,660,625	55,000,000	38,700	52,000
1856	2,660,625	55,000,000	38,700	52,000
1857	2,660,625	55,000,000	38,700	52,400
1858	2,418,750	50,000,000	38,700	52,000
1859	2,418,750	50,000,000	77,300	105,100
1860	2,225,250	46,000,000	116,000	156,800
1861	2,080,125	43,000,000	1,546,900	2,062,000
1862	1,896,300	39,200,000	3,480,500	4,684,800
1863	1,935,000	40,000,000	6,574,200	8,842,300
1864	2,230,087	46,100,000	8,507,800	11,443,000
1865	2,574,759	53,225,000	8,701,200	11,642,200
1866	2,588,062	53,500,000	7,734,400	10,356,400
1867	2,502,196	51,725,000	10,441,400	13,866,200
1868	2,322,000	48,000,000	9,281,200	12,306,900
1869	2,394,562	49,500,000	9,281,200	12,297,600
1870	2,418,750	50,000,000	12,375,000	16,434,000
1871	2,104,312	43,500,000	17,789,100	23,588,300
1872	1,741,500	36,000,000	22,236,300	29,396,400
Total.....	58,279,778	1,204,750,000	118,568,200	157,749,900
1873	1,741,500	36,000,000	27,650,400	35,881,600
1874	1,620,122	33,490,900	28,868,200	36,917,500
1875	1,619,009	33,467,900	24,539,300	30,485,900
1876	1,931,575	39,929,200	29,996,200	34,919,800
1877	2,268,662	46,897,400	30,777,800	36,991,500
1878	2,477,109	51,206,400	35,022,300	40,401,000
1879	1,881,787	38,900,000	31,565,500	35,477,100
1880	1,741,500	36,000,000	30,318,700	34,717,000
1881	1,678,612	34,700,000	33,257,800	37,657,500
1882	1,572,187	32,500,000	36,196,900	41,105,900
1883	1,451,250	30,000,000	35,732,800	39,618,400
1884	1,489,950	30,800,000	37,743,800	41,921,300
1885	1,538,373	31,801,000	39,909,400	42,503,500
1886	1,686,788	34,869,000	39,694,000	39,482,400
1887	1,603,049	33,136,000	41,721,600	40,887,200
1888	1,604,478	33,167,500	45,792,700	43,045,100
1889	1,594,775	32,967,000	50,094,500	46,838,400
1890	1,588,877	32,845,000	54,516,300	57,242,100
1891	1,604,840	33,175,000	58,330,000	57,630,000
1892	1,597,098	33,015,000	63,500,000	55,662,500
1893	1,739,323	35,955,000	60,000,000	46,800,000
1894	1,910,813	39,500,000	49,500,000	31,422,100
1895	2,254,760	46,610,000	55,727,000	36,445,500
1896	2,568,132	53,088,000	58,834,800	39,654,600
1897	2,774,935	57,363,000	53,860,000	32,316,000
1898	3,118,398	64,463,000	54,438,000	32,118,400
1899	3,437,210	71,053,400	54,764,500	32,858,700
1900	3,829,897	79,171,000	57,647,000	35,741,100
1901	3,805,500	78,666,700	55,214,000	33,128,400
1902	3,870,000	80,000,000	55,500,000	29,415,000
1903	3,560,000	73,591,700	54,300,000	29,322,000
1904	3,892,480	80,464,700	57,682,800	33,456,000
Total.....	71,052,989	1,468,793,800	1,442,696,300	1,242,063,500
Grand total..	130,519,937	2,698,080,800	1,561,574,000	1,400,217,900

—Report of the Director of the Mint (1905).

Premium on gold, and gold value of United States legal-tender notes from 1862 to January 1, 1879.

Year.	Average currency value of gold each calendar year during suspension of specie payments, Jan. 1, 1862, to Jan. 1, 1879.	Average gold value of U. S. notes each calendar year during suspension of specie payments, Jan. 1, 1862, to Jan. 1, 1879.
1862.....	113.3	88.3
1863.....	145.2	68.9
1864.....	203.3	49.2
1865.....	157.3	63.6
1866.....	140.9	71
1867.....	138.2	72.4
1868.....	139.7	71.6
1869.....	133	75.2
1870.....	114.9	87
1871.....	111.7	89.5
1872.....	112.4	89
1873.....	113.8	87.9
1874.....	111.2	89.9
1875.....	114.9	87
1876.....	111.5	89.8
1877.....	104.8	95.4
1878.....	100.8	99.2

The total redemptions of notes in gold and the exports of that metal during each fiscal year since the resumption of specie payments have been as follows:

Fiscal year.	United States notes.	Treasury notes of 1890.	Total.	Exports of gold.
1879.....	\$7,976,698	.....	\$7,976,698	\$4,587,614
1880.....	3,780,638	.....	3,780,638	3,639,025
1881.....	271,750	.....	271,750	2,565,132
1882.....	40,000	.....	40,000	32,587,880
1883.....	75,000	.....	75,000	11,600,888
1884.....	590,000	.....	590,000	41,081,957
1885.....	2,222,000	.....	2,222,000	8,477,892
1886.....	6,863,699	.....	6,863,699	42,952,191
1887.....	4,224,073	.....	4,224,073	9,701,187
1888.....	692,596	.....	692,596	18,376,234
1889.....	730,143	.....	730,143	59,952,285
1890.....	732,386	.....	732,386	17,274,491
1891.....	5,986,070	.....	5,986,070	86,362,654
1892.....	5,352,243	\$3,773,600	9,125,843	50,195,327
1893.....	55,319,125	46,781,220	102,100,345	108,680,844
1894.....	68,242,408	16,599,742	84,842,150	76,978,061
1895.....	109,783,800	7,570,398	117,354,198	66,468,481
1896.....	153,307,591	5,348,365	158,655,956	112,409,947
1897.....	68,372,923	9,828,991	78,201,914	40,361,580
1898.....	22,301,710	2,696,253	24,997,963	15,406,391
1899.....	18,645,015	6,997,250	25,642,265	37,522,086
1900.....	28,637,501	6,960,836	35,598,337	48,266,759
1901.....	23,776,433	446,678	24,223,111	53,185,177
1902.....	17,482,590	1,274,590	18,757,180	48,568,950
1903.....	7,154,718	1,112,527	8,267,245	47,090,595
1904.....	11,081,068	474,126	11,555,194	.....
Total.	623,642,178	109,864,576	733,506,754	1,044,293,628

—U. S. Treasury Dept. Circular, No. 72, July 1, 1904.

NET EXPORTS UNITED STATES GOLD COIN.

The *net* exports of United States gold coin from January 1, 1870, to June 30, 1905, was \$683,437,346, as shown by the following table:

IMPORTS AND EXPORTS OF UNITED STATES GOLD COIN.

Period.	Imports.	Exports.
Jan. 1 to July 1, 1870.....		\$6,384,250
Fiscal year—		
1871		55,491,719
1872		40,391,357
1873		35,661,863
1874		28,766,943
1875		59,309,770
1876		27,542,861
1877		21,274,565
1878	\$7,325,783	6,427,251
1879	3,654,859	4,120,311
1880	18,207,559	1,687,973
1881	7,577,422	1,741,364
1882	4,796,630	29,805,289
1883	8,112,265	4,802,454
1884	3,824,692	12,242,021
1885	3,352,090	2,345,809
1886	1,687,231	5,400,976
1887	5,862,509	3,550,770
1888	5,181,512	3,211,399
1889	1,403,619	4,143,939
1890	1,949,552	3,951,736
1891	2,824,146	67,704,900
1892	15,432,443	42,841,963
1893	6,074,899	101,844,087
1894	30,790,892	64,303,840
1895	10,752,673	55,096,639
1896	10,189,614	77,789,892
1897	57,728,857	23,646,565
1898	40,590,947	8,402,216
1899	7,779,123	27,425,587
1900	8,659,856	30,674,511
1901	3,311,105	8,425,947
1902	3,870,320	9,370,841
1903	1,519,756	18,041,660
1904	5,780,607	15,682,424
1905	2,236,399	54,409,014
Total.....	280,477,360	963,914,706
Net exports.....		683,437,346

—Mint Report, 1905, p. 34.

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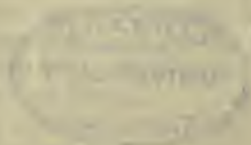
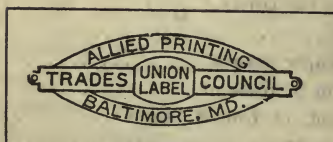
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